



# **Corporate Presentation 2012**

# Disclaimer

This presentation contains forward looking statements that are subject to risk factors associated with the USA Oil and Gas business. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

The oil resources estimates for the Alaska Region were compiled by Scott J Wilson, of Ryder Scott Company LP who is qualified in accordance with ASX listing rule 5.11 and who has consented to the form and content in which this statement appears.

The oil resource estimates for the Wyoming Region were compiled by James L. Baird of Ryder Scott Company LP who is qualified in accordance with ASX listing rule 5.11 and who has consented to the form and content in which this statement appears.

The oil resource estimates for the Gulf Coast Region were compiled by Robert L. Walker of Haas Petroleum Engineering Services, Inc. who is qualified in accordance with ASX listing rule 5.11 and who has consented to the form and content in which this statement appears.

The valuations for the Alaska Region and Wyoming Region were compiled by Wood Mackenzie. Wood Mackenzie does not warrant or represent that the Information is appropriate or sufficient and has not taken into account the purposes for which the Information is used and you acknowledge and agree that if you use or rely upon the Information for any purpose then you shall do so entirely at your own risk.

The information in this report, where indicated, in relation to coal resources is based on information compiled by Troy Turner, who is a member of the Australian Institute of Mining and Metallurgy and who is employed by Xenith Consulting Pty Ltd. Mr Turner has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a competent person as defined in the 2004 Edition of the “Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves”. Mr Turner consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

All \$ are presented in US\$, unless otherwise specified.



# Peter Bond

## Managing Director and CEO



Scott Broussard  
President  
Oil & Gas

# Safety First

Oil  
& Gas

**>600 days no lost time  
accidents!**

# Overview

Production, development, exploitation and acquisition  
of crude oil properties

Oil  
& Gas

|                                 |  |
|---------------------------------|--|
| <b>Properties</b>               | Gulf Coast (Texas and Louisiana)<br>Alaska (North Slope)<br>Wyoming (Powder River Basin) |
| <b>Proved Reserves</b>          | 13.5 MMBoe   |
| <b>Proved Reserve Mix</b>       | 97% Oil / 3% Gas   |
| <b>Proved PV-10</b>             | \$516.6 Million  |
| <b>Fields/Wells</b>             | 18 (16 Producing) / 157  |
| <b>Daily Production (gross)</b> | ~4,200 BOPD  |
| <b>Acreage</b>                  | 62,520   |



# Assets

## Oil & Gas

### Gulf Coast

**Total Proved:** 12.7 MMBoe

**PV-10:** \$504.5 million

**Percent Oil:** 97%

**Gross Production:** ~4,000 BOPD

### Alaska - Umiat

**Total 2P:** 154.6 MMBoe

**2P PV-10:** \$1,496 million

**Percent Oil:** 100%

**OOIP:** ~1,000 MMBbls

### Wyoming

**Total Proved:** 0.8 MMBoe

**PV-10:** \$12.1 million

**Percent Oil:** 100%

**Gross Production:** ~200 BOPD

**Est. Recoverable Oil:** 75 MMBbls

Linc Energy's reserves represent a well-balanced portfolio of attractive near-term cash flow opportunities as well as significant longer-term upside potential.

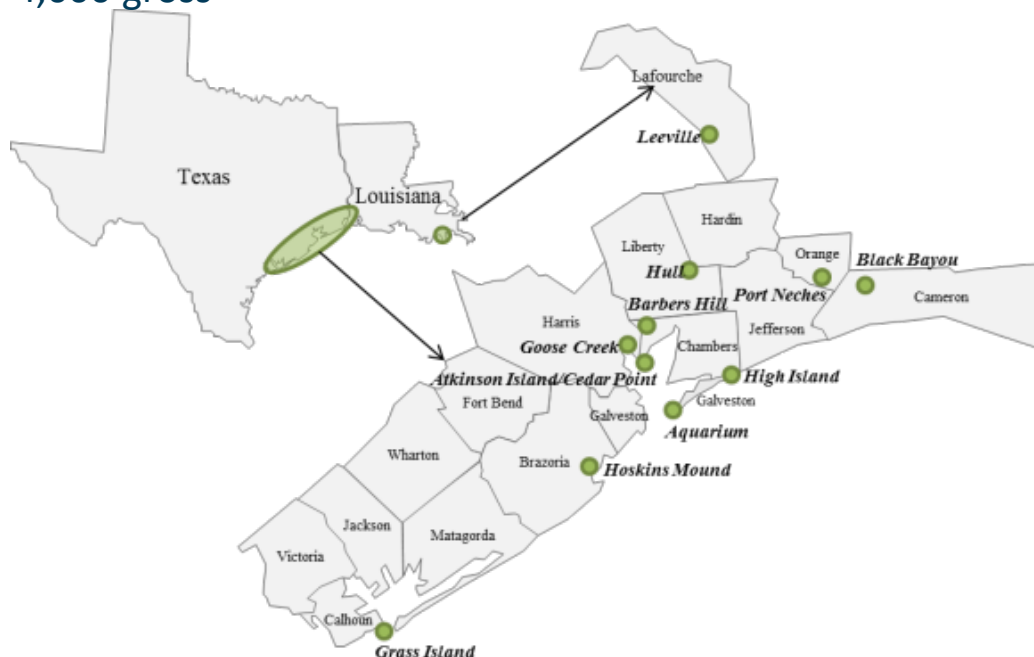


# Gulf Coast Region – Texas and Louisiana

Oil  
& Gas

## Summary Statistics

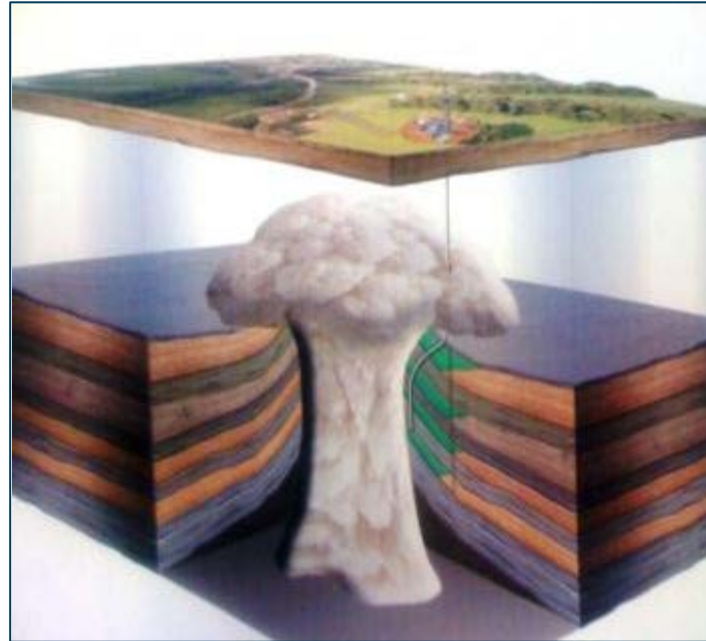
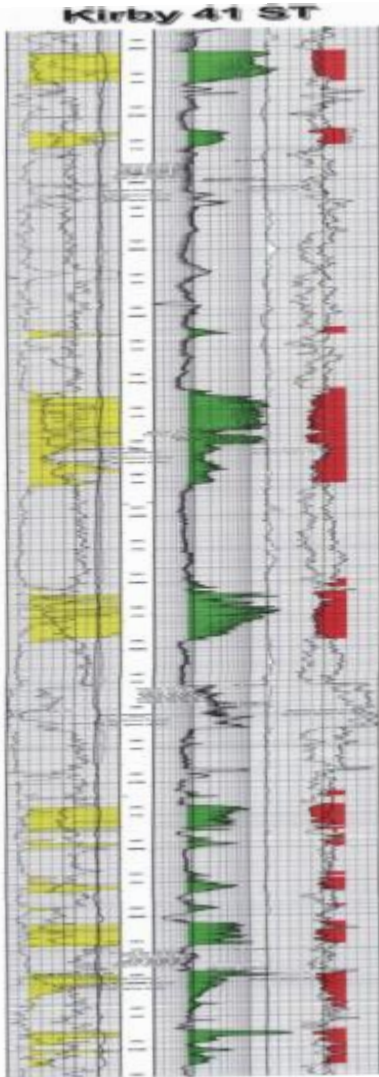
|                               |                   |                          |              |
|-------------------------------|-------------------|--------------------------|--------------|
| <b>Total Proved Reserves:</b> | 12.7 MMMBoe       | <b>Working Interest:</b> | ~100%        |
| <b>Percent Oil:</b>           | 97%               | <b>Average NRI:</b>      | 74%          |
| <b>PV-10:</b>                 | \$504.5 million   | <b>Acreage:</b>          | 13,390 acres |
| <b>Fields:</b>                | 14 (13 producing) | <b>Producing Wells:</b>  | 127          |
| <b>Production (BOPD):</b>     | 4,000 gross       |                          |              |





# Salt Dome Geology

Oil  
& Gas



- Production from stacked reservoirs primarily in Miocene and Frio sands at depths to 2286 metres (7,500 feet)
- Minimal drilling below 2286 metres (7,500 feet) (geopressure)
- Deeper drilling potential (Yegua, Hackberry, and Wilcox)
- Significant 3-D seismic coverage (reprocessing for subsalt)

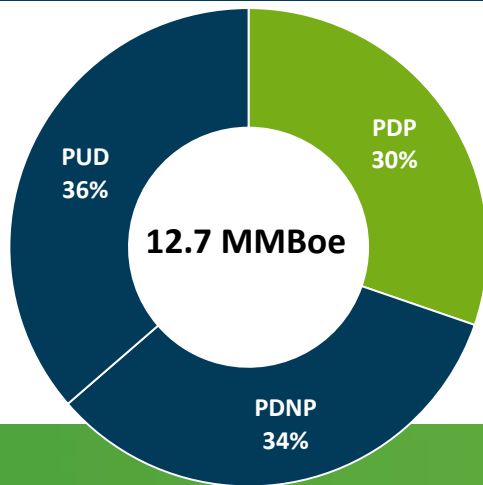
# Reserve Summary

## Gulf Coast Region – Breakdown by Field

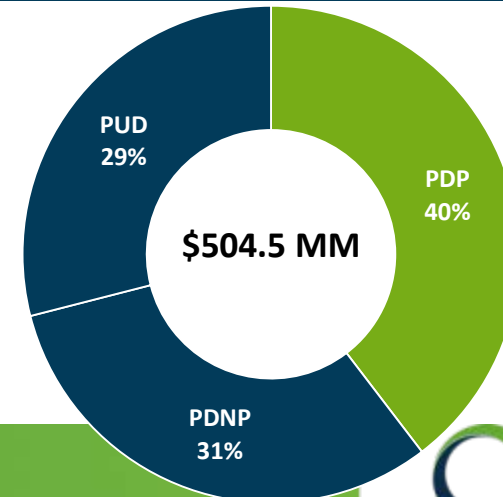
Oil  
& Gas

|                 | Net Acres     | 1P Reserves   |            |            |                        | Gross Daily Production (BOPD) | % Working Interest | % Revenue Interest |
|-----------------|---------------|---------------|------------|------------|------------------------|-------------------------------|--------------------|--------------------|
|                 |               | Total (MMBOE) | % Oil      | % PDP      | PV-10 (\$ in millions) |                               |                    |                    |
| Barbers Hill    | 1,144         | 7.1           | 100%       | 16%        | \$266                  | 1,419                         | 100%               | 78%                |
| Black Bayou     | 2,435         | 0.2           | 100%       | 37%        | 13                     | 423                           | 100%               | 62%                |
| Hoskins Mound   | 2,500         | 0.8           | 73%        | 22%        | 30                     | 661                           | 100%               | 72%                |
| Atkinson Island | 385           | 0.9           | 87%        | 72%        | 43                     | 336                           | 100%               | 72%                |
| Cedar Point     | 1,040         | 0.6           | 96%        | 64%        | 24                     | 436                           | 100%               | 61%                |
| High Island     | 901           | 1.5           | 100%       | 23%        | 70                     | 256                           | 100%               | 75%                |
| Port Neches     | 3,810         | 0.5           | 99%        | 47%        | 27                     | 181                           | 100%               | 83%                |
| Other           | 1,175         | 1.0           | 99%        | NA         | 33                     | 323                           | NA                 | NA                 |
| <b>Total</b>    | <b>13,390</b> | <b>12.7</b>   | <b>97%</b> | <b>30%</b> | <b>\$505</b>           | <b>4,035</b>                  | <b>98%</b>         | <b>74%</b>         |

1P Reserves by Category



1P PV-10 by Category

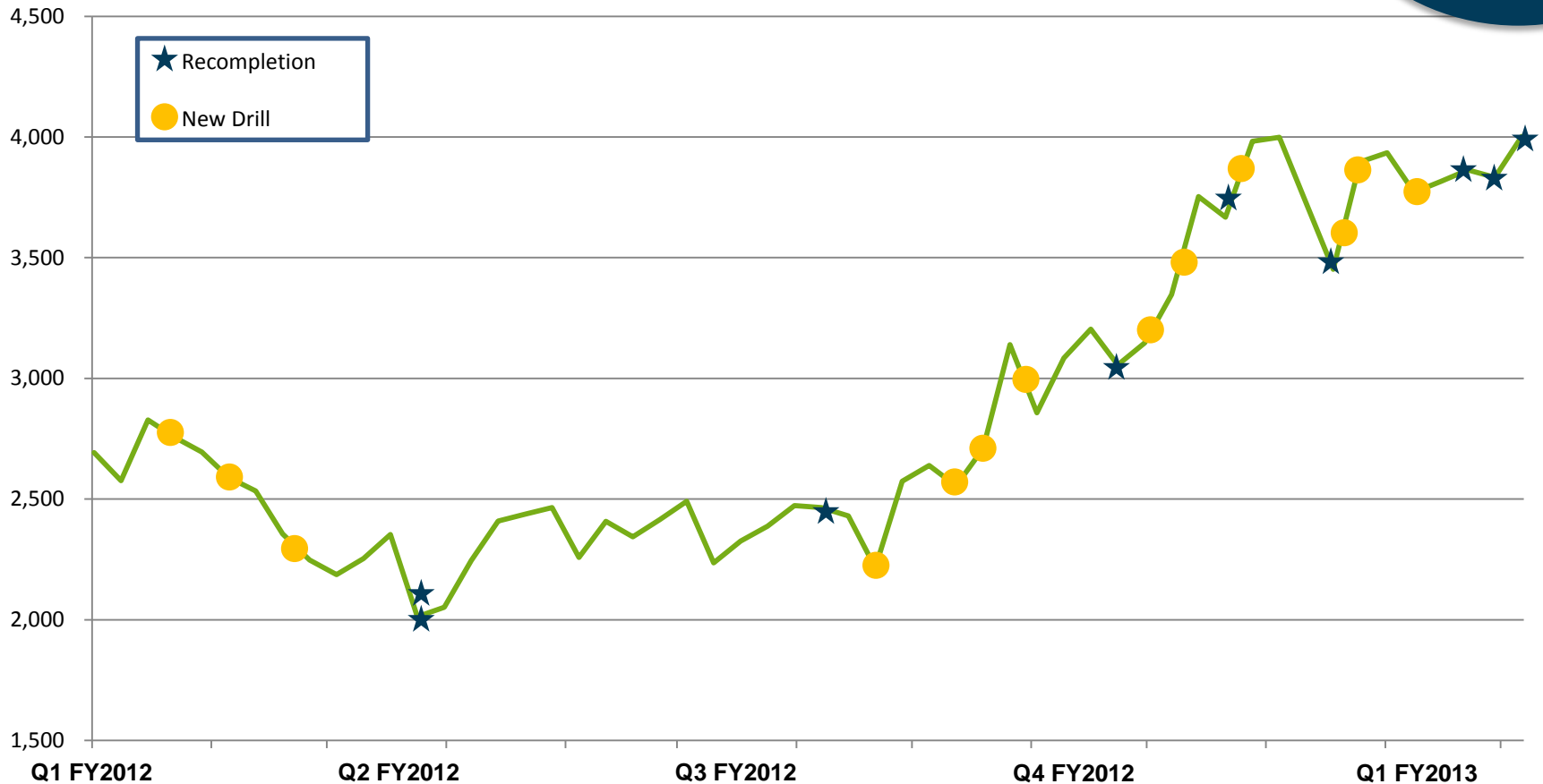


# Significant Production Growth

Production History October 2011 – October 2012

Oil  
& Gas

## Gross Daily Production History (BOPD) – Gulf Coast



Since April 2012, Linc Energy has achieved significant increases in production as a result of rounding out its team of technical experts.



# Near Term Drilling and Completions

Oil  
& Gas

| Rig Number   | Wells Drilled | Estimated Production Range |              |
|--------------|---------------|----------------------------|--------------|
| Pioneer #2   | 3             | 300                        | 500          |
| Pioneer #15  | 2             | 300                        | 400          |
| Pioneer #35  | 2             | 400                        | 600          |
| <b>Total</b> | <b>7</b>      | <b>1,000</b>               | <b>1,500</b> |

| Workover Rig Number | Recompletions Completed | Estimated Production Range |              |
|---------------------|-------------------------|----------------------------|--------------|
| WO Rig #1           | 4                       | 700                        | 800          |
| WO Rig #2           | 3                       | 525                        | 600          |
| WO Rig #3           | 3                       | 275                        | 300          |
| <b>Total</b>        | <b>10</b>               | <b>1,500</b>               | <b>1,700</b> |

| Production Estimates          | Range        |              |
|-------------------------------|--------------|--------------|
| Current Production            | 3,500        | 4,000        |
| New Drilling Production       | 1,000        | 1,500        |
| New Recompletion Production   | 1,500        | 1,700        |
| <b>Total BOPD by 12/31/12</b> | <b>6,000</b> | <b>7,200</b> |



# Exploitation Program

## Gulf Coast Region

- **Capital program (FYE 30/06/13):**
  - Three to four drilling rigs
    - 30-40 new wells
  - Three workover/completion rigs
    - 15-20 recompletions
  - Total CAPEX: \$60-70M funded by cashflow
- **Extensive subsurface mapping**
- **3D Seismic interpretation**
- **Seismic reprocessing**

Linc Energy's stable Gulf Coast operations provide for increasing cash flow generation through high-return new drilling and recompletion projects.

Oil  
& Gas



# Before...

## Higgins Tank Battery

Oil  
& Gas



# After...

## Higgins Tank Battery

Oil  
& Gas





# Before...

## SWB Pump Controls

Oil  
& Gas





# After...

## SWB Pump Controls

Oil  
& Gas



# Before...

## Wilburn Battery

Oil  
& Gas



# After...

## Wilburn Battery

Oil  
& Gas



# Before...

## Wilburn SWD System

Oil  
& Gas





# After...

## Wilburn SWD System

Oil  
& Gas



# Before...

## Wilburn B Separators

Oil  
& Gas



# After...

## Wilburn B Separators

Oil  
& Gas



# Before...

## Pumping Unit

Oil  
& Gas





# After...

## Pumping Unit

Oil  
& Gas



# Alaska – North Slope (Umiat)

## Oil & Gas

### Project Overview

#### North Slope (Umiat)

- OOIP: ~1,000 MMbbls
- 2P reserves of 155 MMbbls / \$1,496 MM PV-10
- Formerly part of the National Strategic Petroleum Reserve
- Located within the National Petroleum Reserve of Alaska
- Potential peak production of ~50,000 gross BOPD
- Potential upside from deeper oil and gas reserves
  - Identified deeper potential through reprocessed 3D seismic
  - Drilling deep well in winter 2012/2013 to look for/test deeper reservoirs
- Appraised asset value of \$100-\$200 million

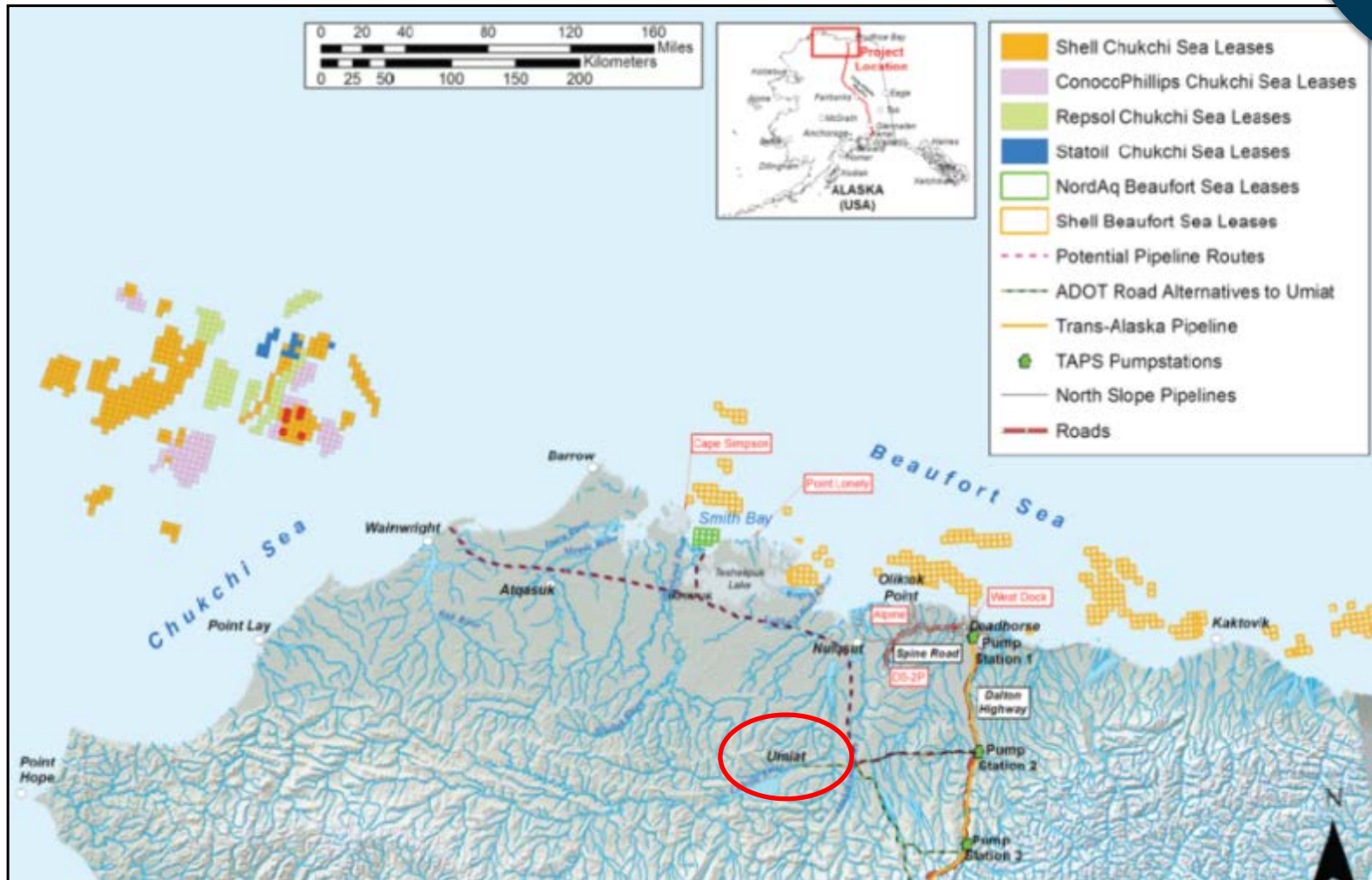
### Summary Statistics

|                    |                 |
|--------------------|-----------------|
| Total 2P Reserves: | 155 MMBoe       |
| Percent Oil:       | 100%            |
| PV-10:             | \$1,496 million |
| Working Interest:  | 84.5%           |
| Acreage:           | 19,348          |



# Alaska – North Slope (Umiat)

Oil  
& Gas





# Alaska – North Slope (Umiat)

Oil  
& Gas



# Umiat Development Plan

Oil  
& Gas

## Phase I

### Key Milestones:

- Pre-pack 100 mile snow road
- Establish campsite and in-field ice pads
- Mobilise drill rig
- Drill disposal well
- Drill, core and test 2 vertical and 1 horizontal well
- Install Ambient Air Monitoring station
- Environmental Impact Statement underway (EID submitted)
- Determine capital strategy for full development

Reconfirm Reserve and  
Resource Value

## Phase II

### Key Milestones:

- Drill and test deep resource targets
- Perform extended flow test for 1 vertical and 1 horizontal delineation well
- Finalise engineering design
- Submit air permit application

Increased Reserve Value:  
Transition to Proved Reserves

## Phase III

### Key Milestones:

- Commence procurement and fabrication
- Full EIS review
- North Slope Borough master plan approval
- Construction of roads and pipelines
- Issuance of air permit
- Facility construction
- Commence development drilling (Q2 2017)
- TAPS tie-in facilities

### Expected Timing:

- First production 2017

Estimated Full Production:  
50,000 BOPD

# Wyoming (Powder River Basin) EOR Project

Oil  
& Gas

## Project Overview

- Potential for 75 MMBbbls of oil using CO<sub>2</sub> EOR strategy from Big Muddy and South Glenrock fields
- Recently established supply contract with ExxonMobil for 25 BCF of CO<sub>2</sub> during the initial one year term of the agreement
- Field Overview
  - **Big Muddy Field** (*Discovered in 1917*)
    - OOIP of 255.0 MMBbbls
    - Production of 53.8 MMBbbls of oil to date
  - **South Glenrock** (*Discovered in 1950*)
    - OOIP of 170.3 MMBbbls
    - Production of 17.1 MMBbbls of oil to date
  - **South Cole Creek Field** (*Discovered in 1948*)
    - OOIP of 41.3 MMBbbls
    - Production of 17.1 MMBbbls of oil to date



## Salt Creek – Field Analogy

- Producing > 13,000 BOPD GROSS



Adam Bond  
President  
**Clean Energy**



# Safety First - Chinchilla

Clean  
Energy

**1428 days no lost time  
accidents!**



# The Past 12 Months

Clean  
Energy

- Significant effort to refocus towards commercialisation
- Review of business model for global UCG deployment
- Ongoing optimisation of technology at Chinchilla.



# G5 Repositioning

Clean  
Energy



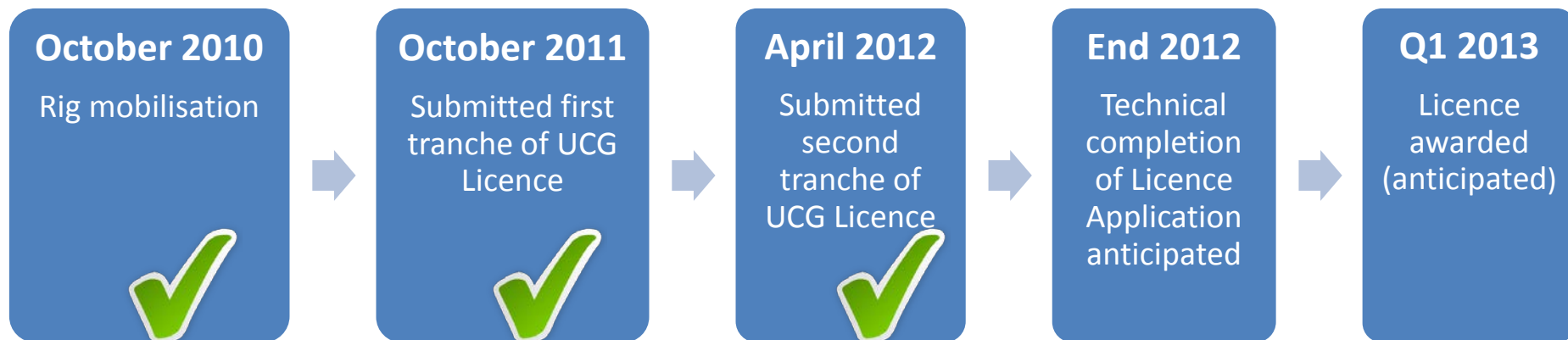
# Production wellheads and surface facilities

Clean  
Energy



# Wyoming – Gasifier 6 (G6)

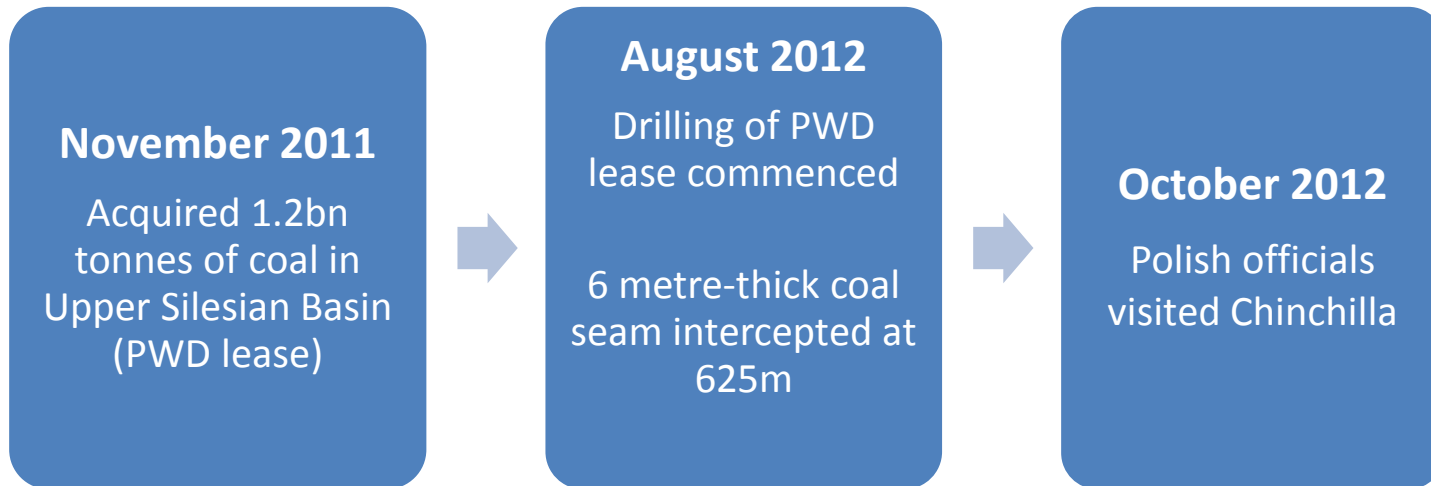
Clean  
Energy



Current focus on identification and development of commercial UCG opportunities in Wyoming across the Powder River Basin.

# Poland

Clean  
Energy



A number of gas supply off-take proposals currently under review for UCG from the PWD lease.



# Poland

Clean  
Energy



# China

## Clean Energy

- Remains an important target
- Dialogue ongoing with a number of Chinese companies
- Drivers for UCG into China remain strong
- GCL



# South Africa

Clean  
Energy



## *Exxaro*

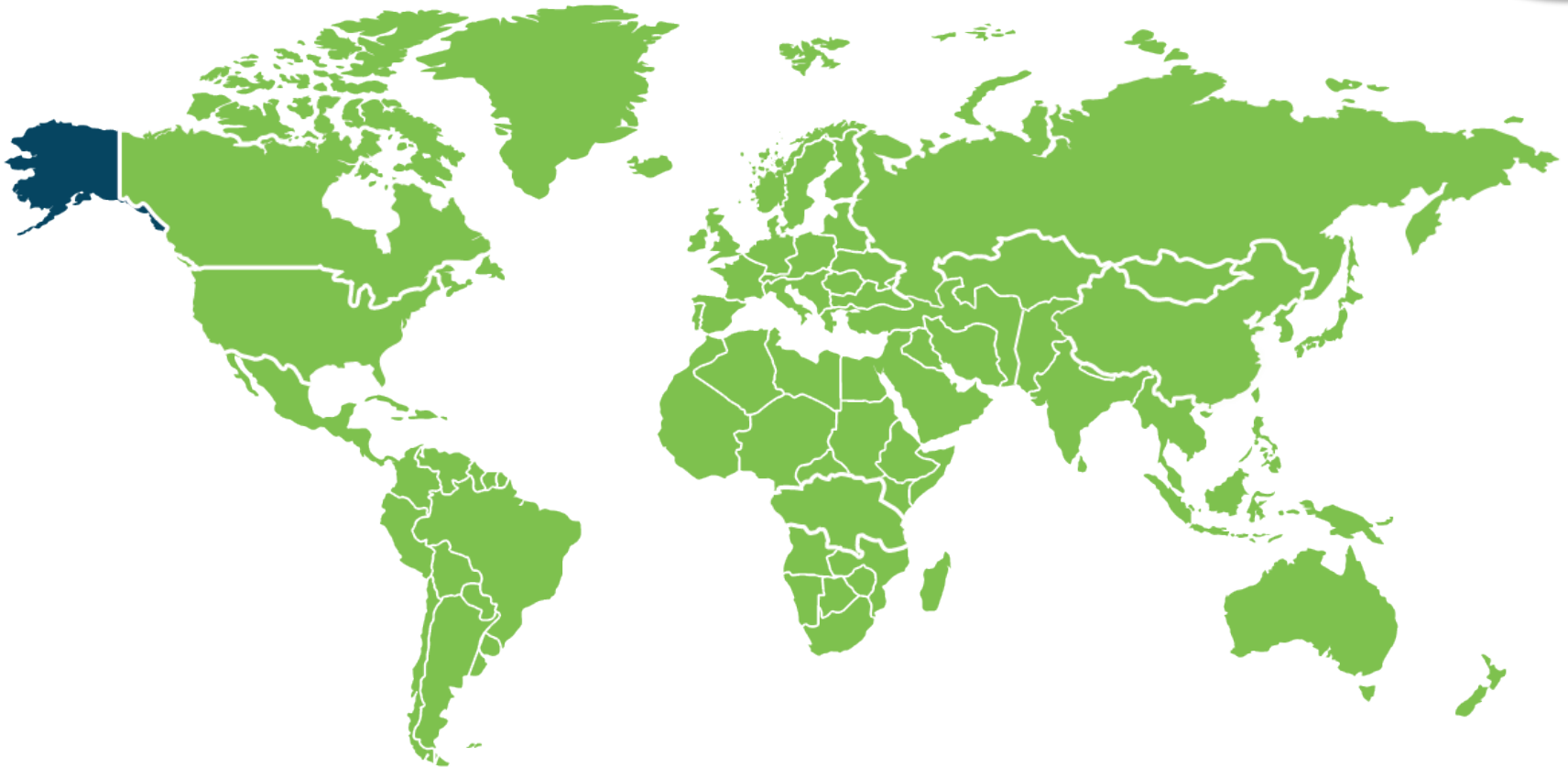
- Completion of concept study in June
- Superior commercial opportunity for a UCG to Power project.



# **The Next 12 Months**

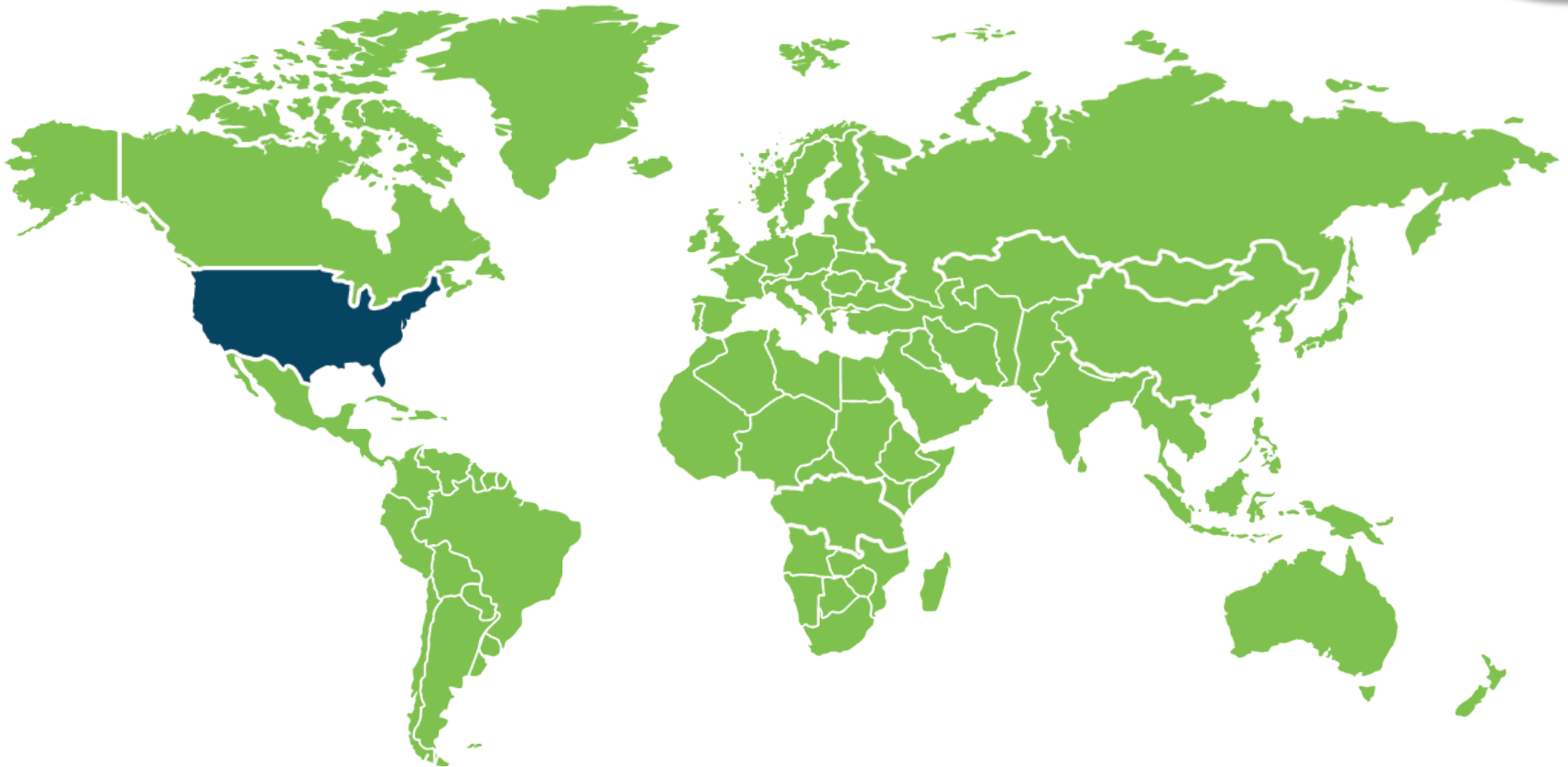
# USA - Alaska

Clean  
Energy



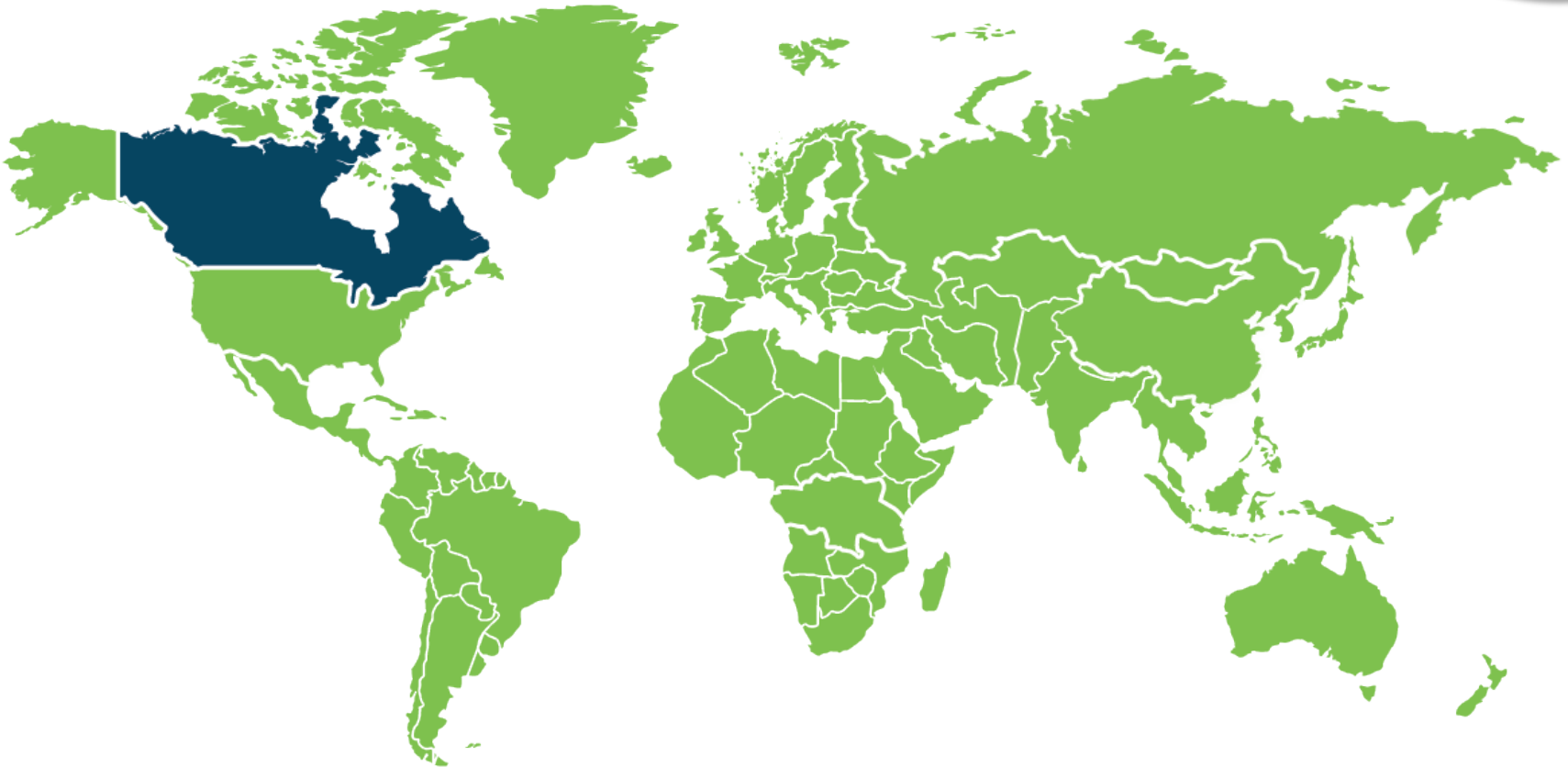
# USA

Clean  
Energy



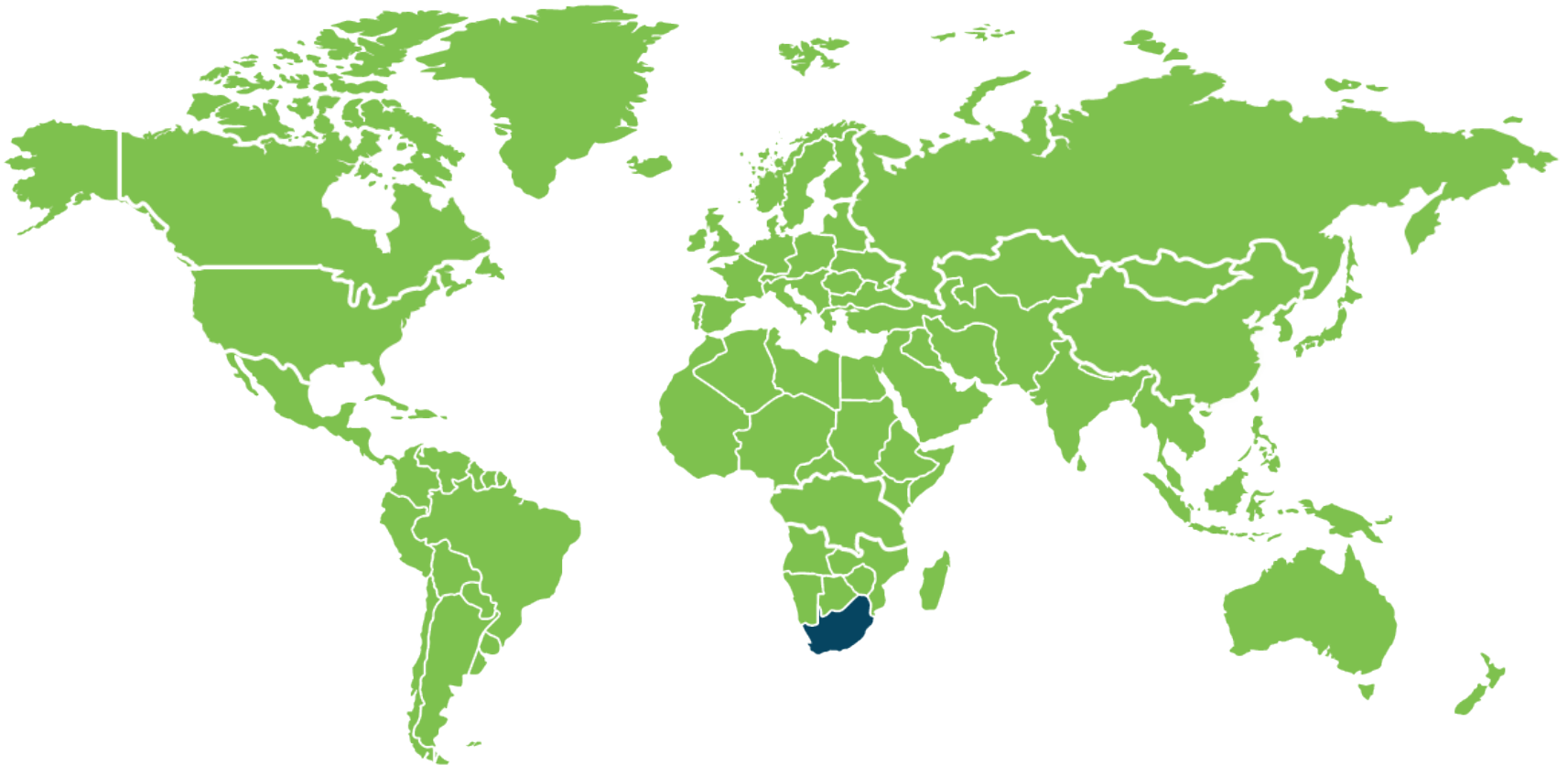
# Canada

Clean  
Energy



# South Africa

Clean  
Energy



# Ukraine

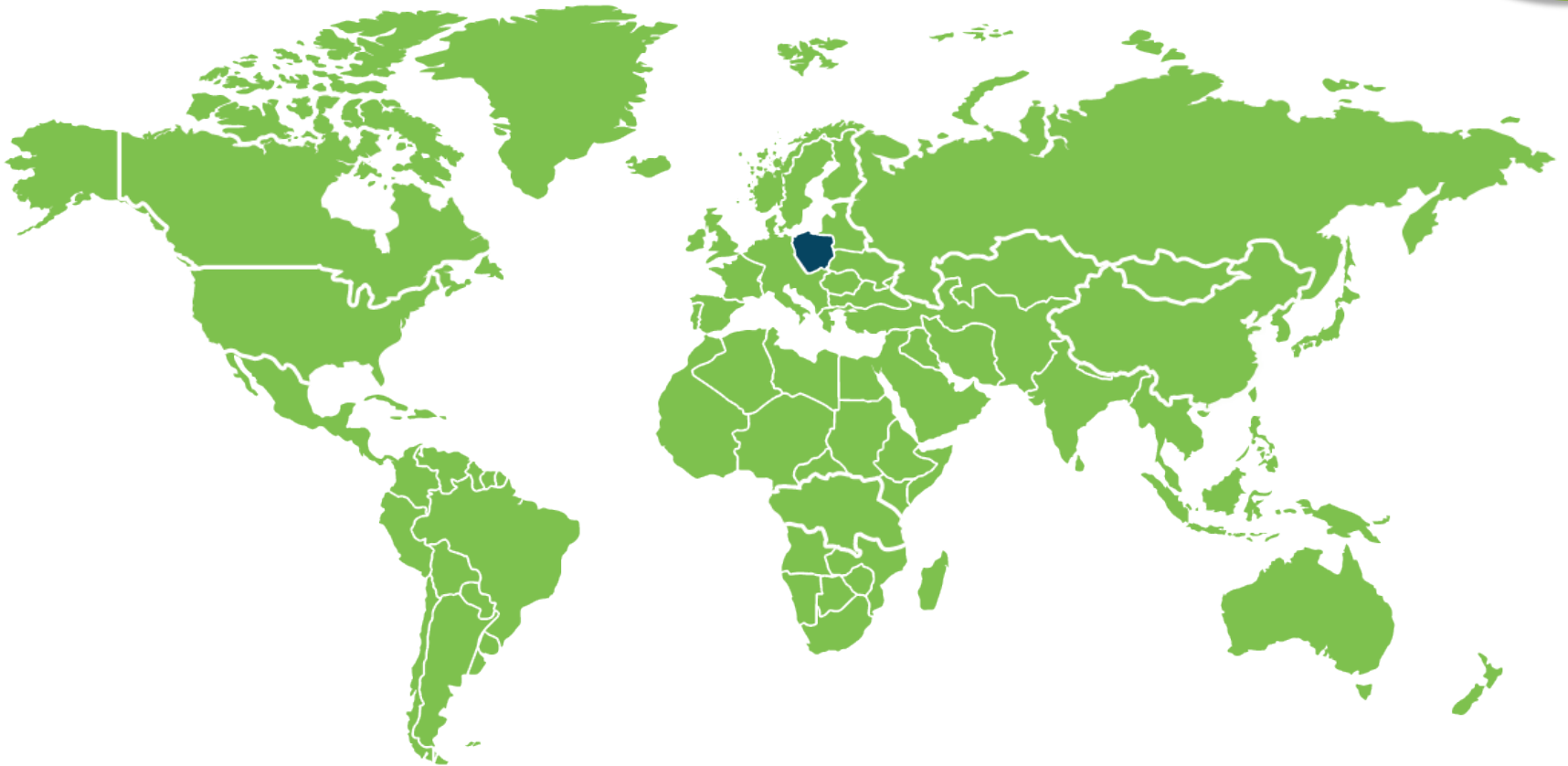
Clean  
Energy





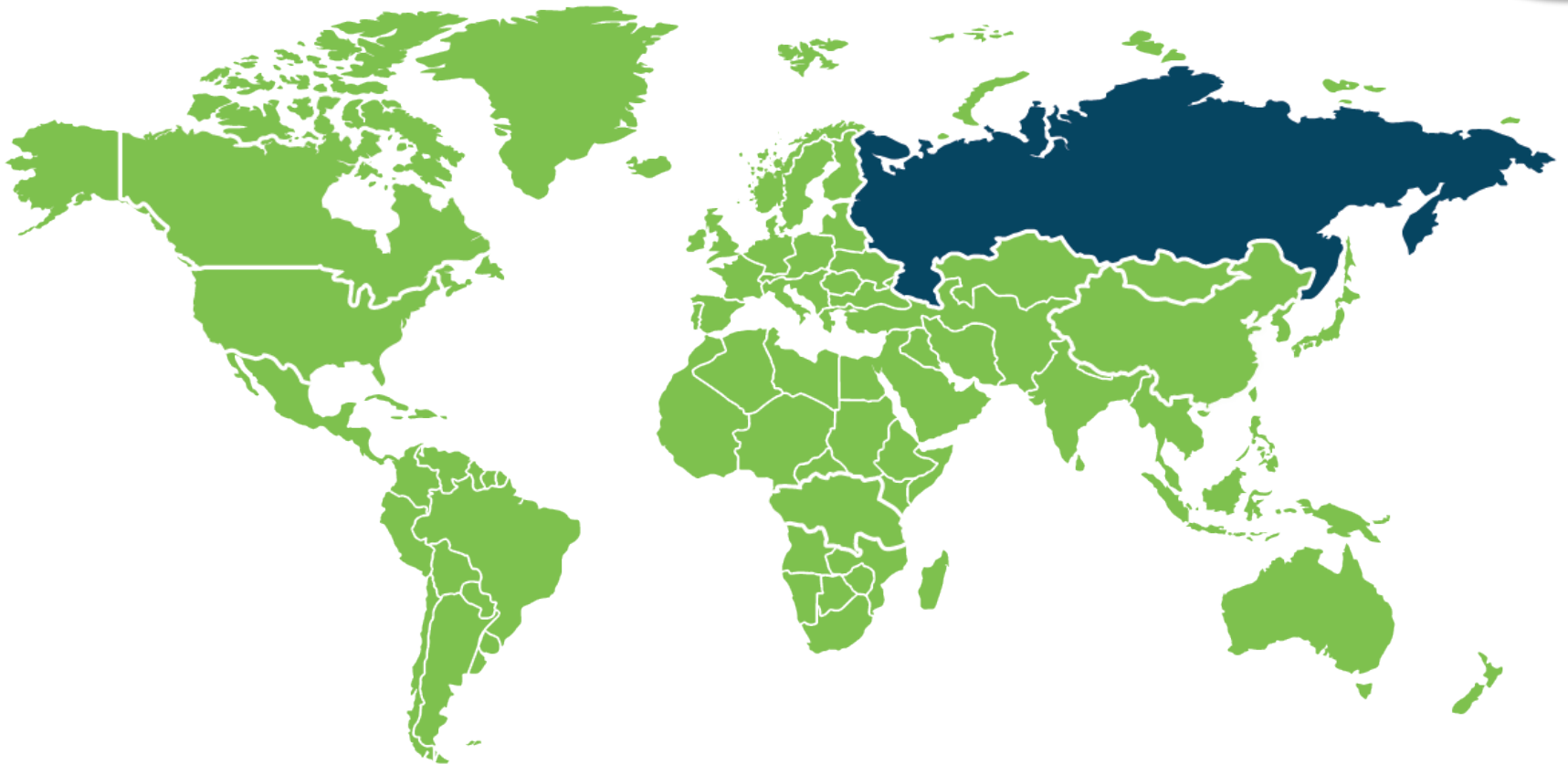
# Poland

Clean  
Energy



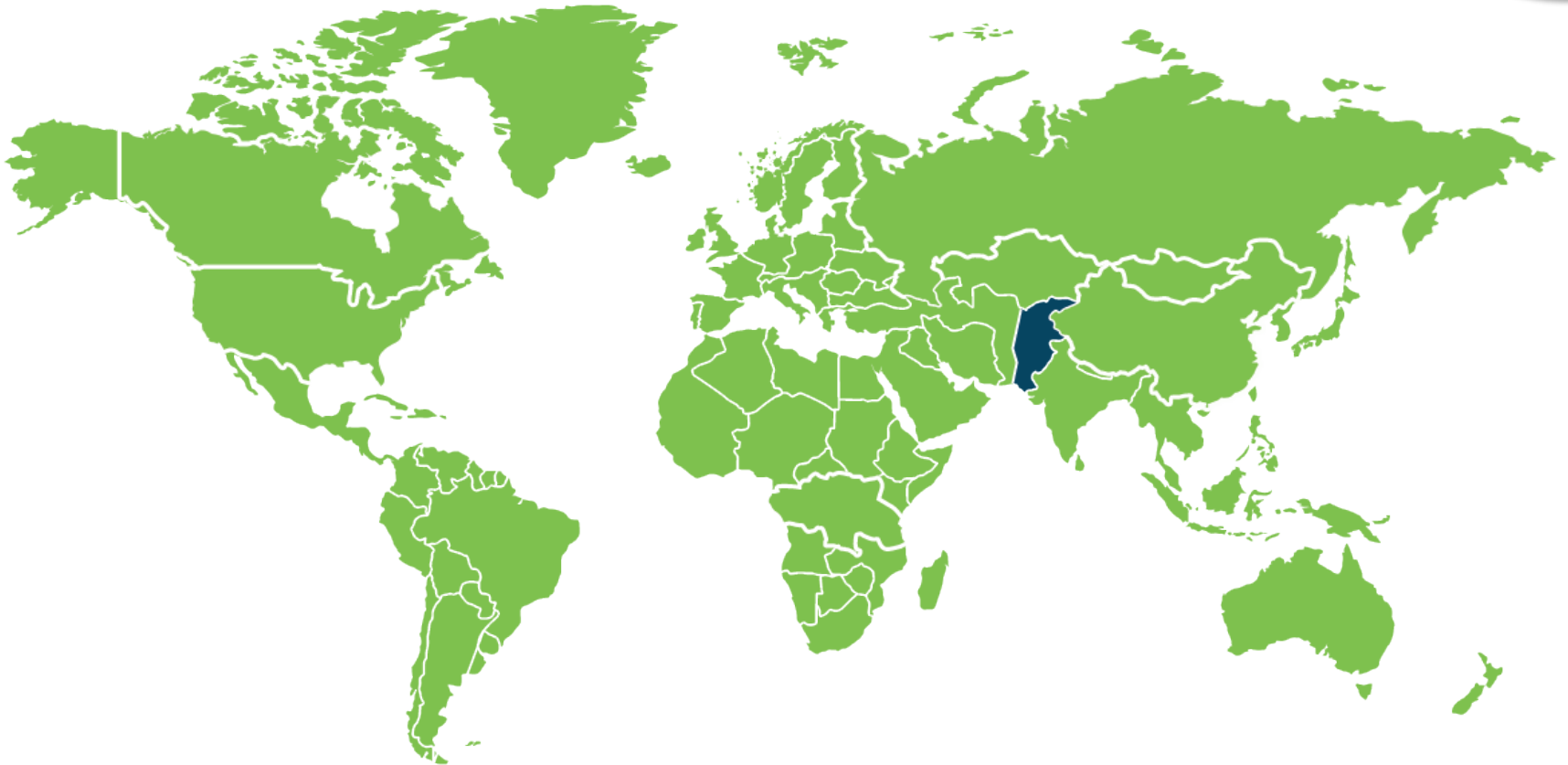
# Russia

Clean  
Energy



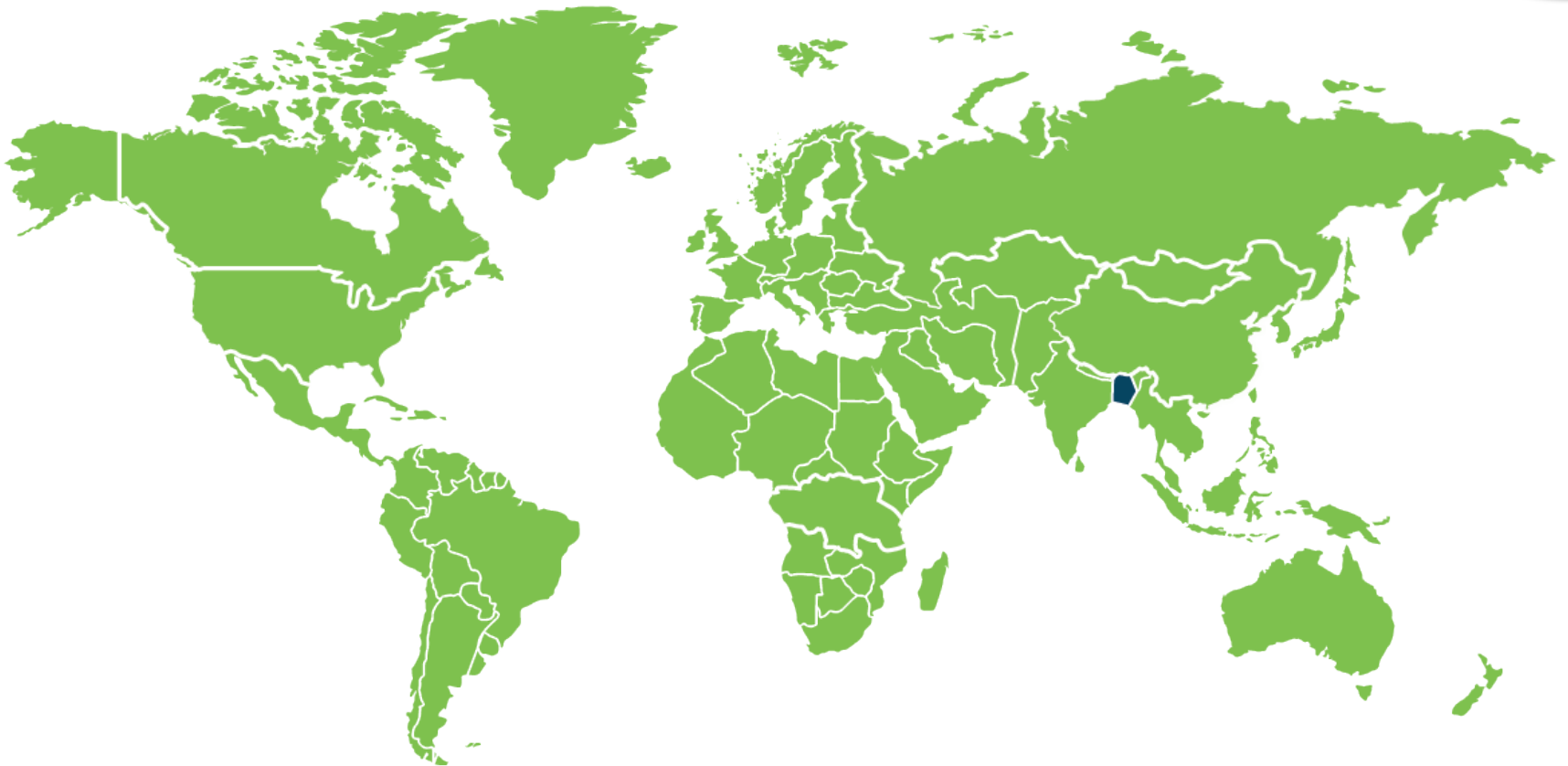
# Pakistan

Clean  
Energy



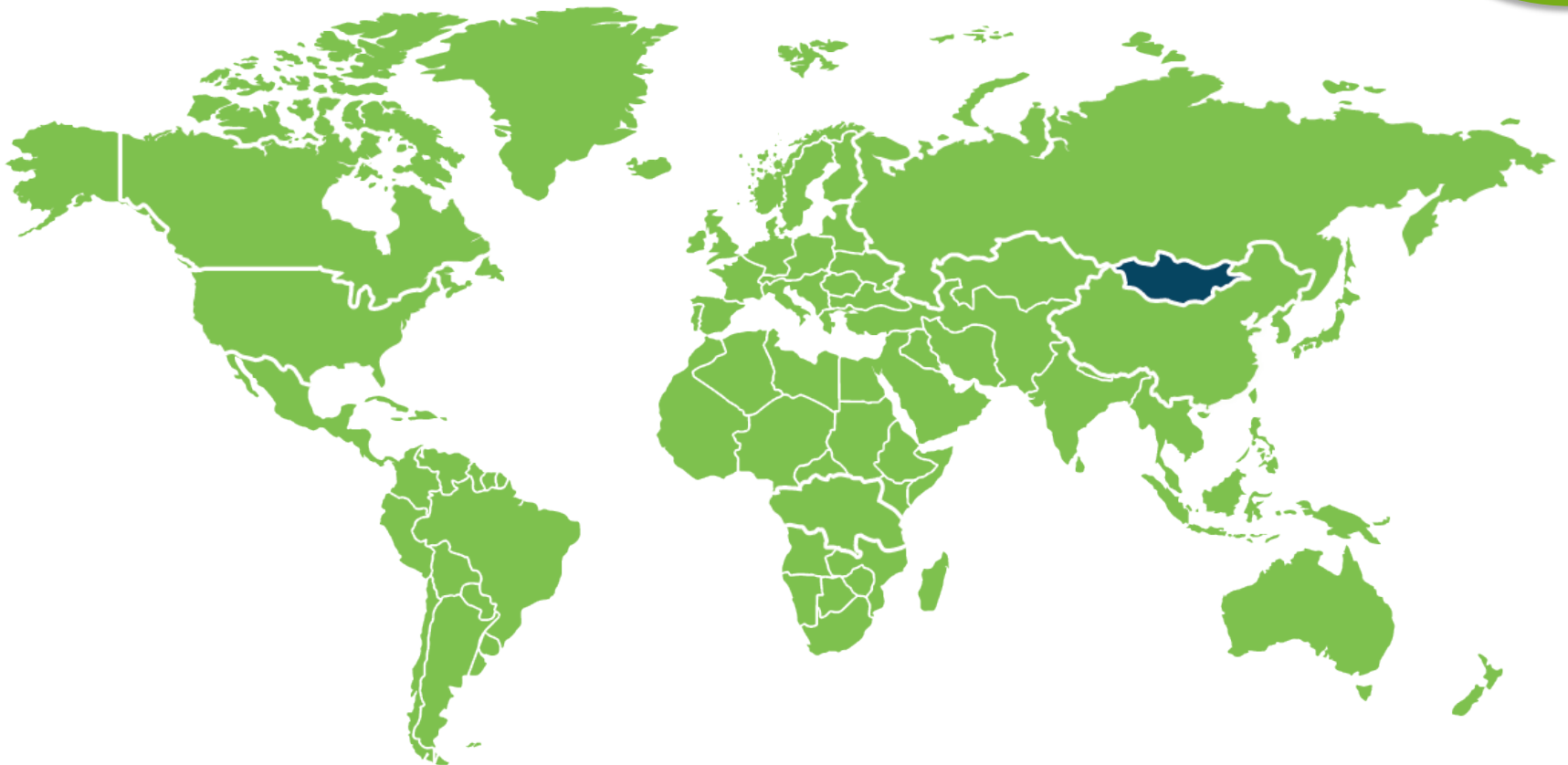
# Bangladesh

Clean  
Energy



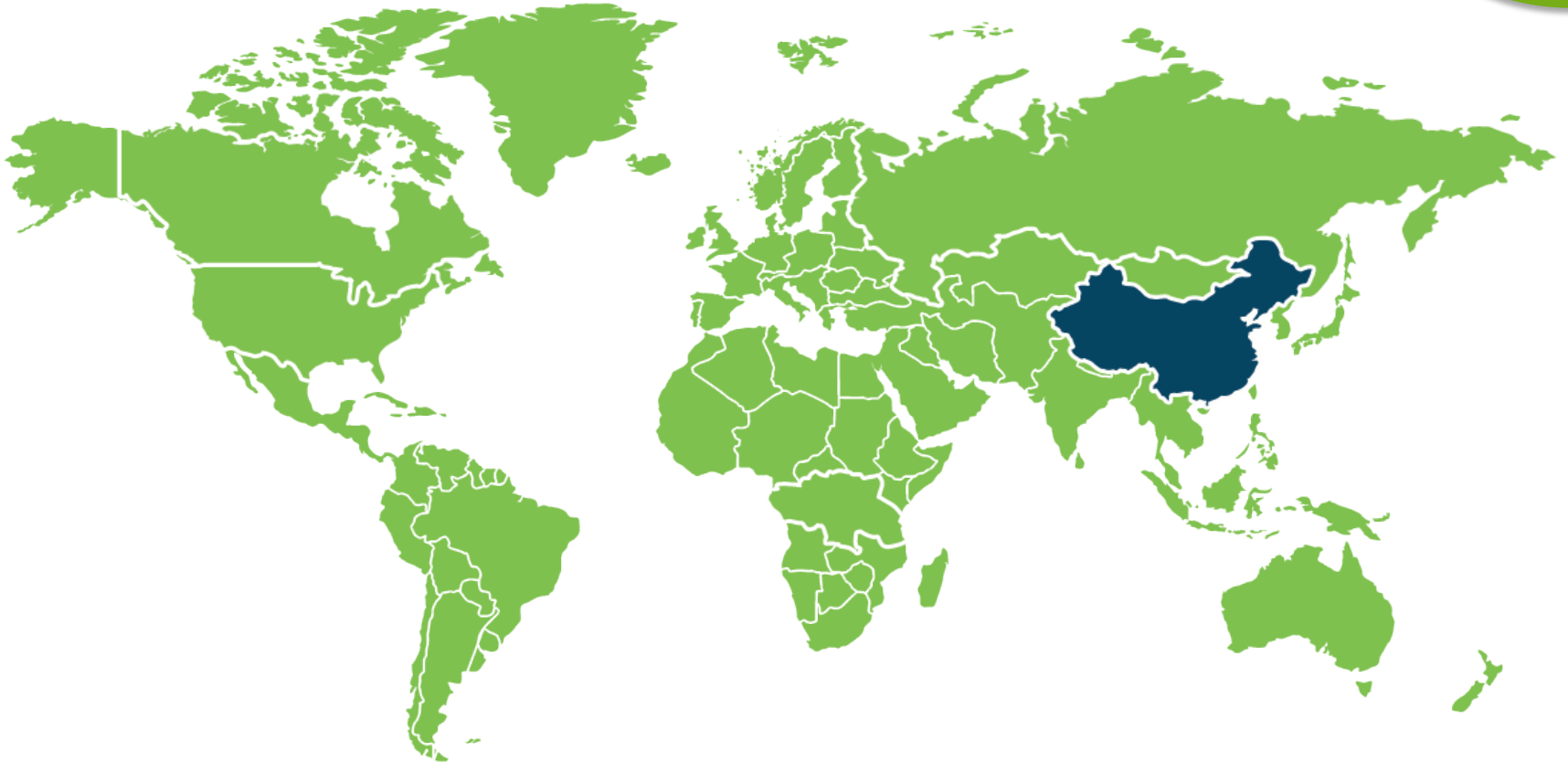
# Mongolia

Clean  
Energy



# China

Clean  
Energy





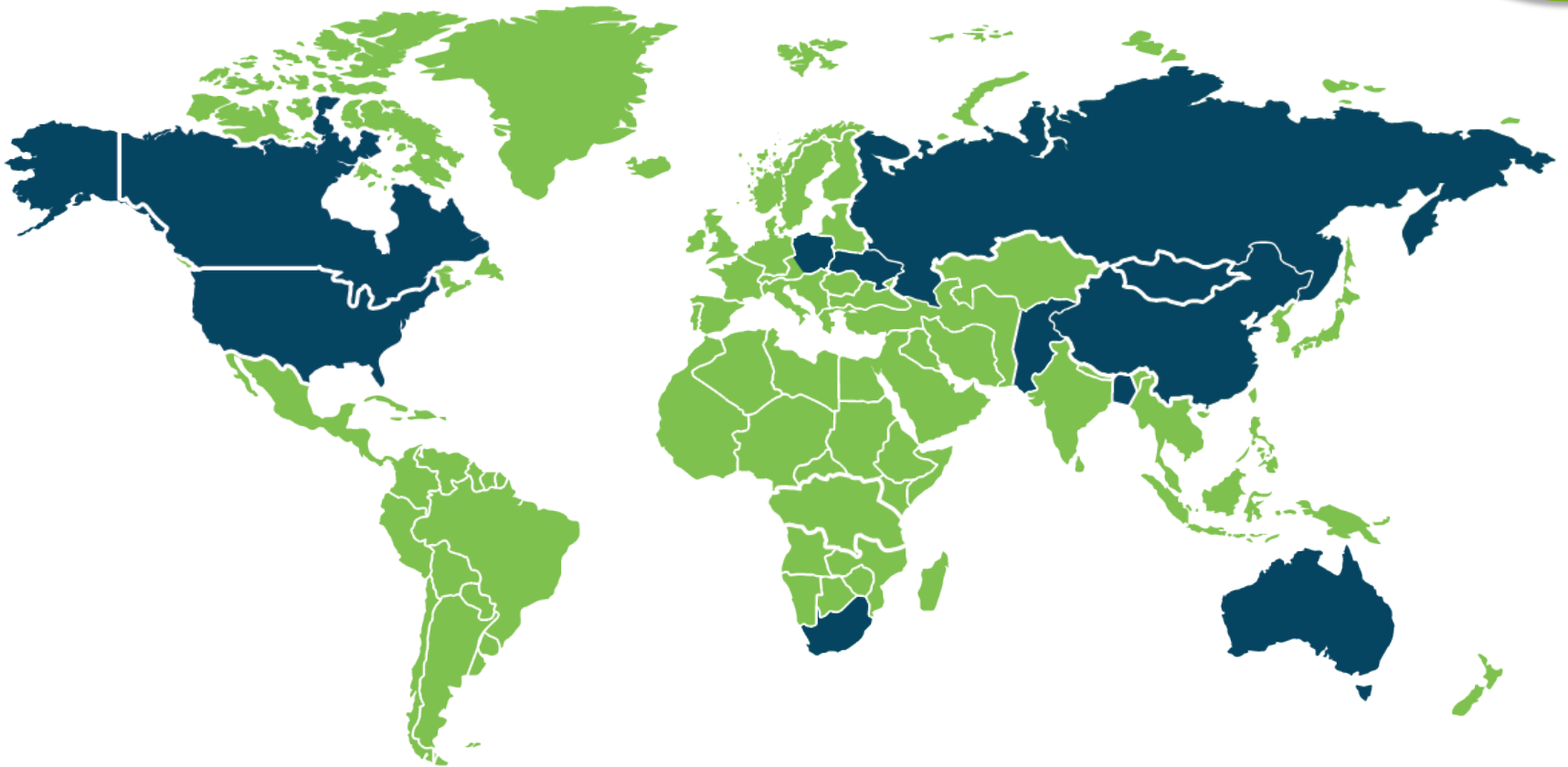
# Australia

Clean  
Energy



# The Next 12 Months

Clean  
Energy





# Michael Mapp

## President

## Coal

# Safety First

Coal

**365 days no lost time  
accidents!**

# Assets

Coal

- Over 8,000km<sup>2</sup> of exploration and mining tenure
- 710Mt (258Mt Indicated, 452Mt Inferred) of JORC Resource
- (Competent Person Troy Turner , Xenith Consulting Pty Ltd)
- 19 Exploration Permits for Coal (EPCs)
- 7 Exploration Permit for Coal Applications (EPCAs)
- 2 Mining Licence Applications (MLA)
- 1 Mining Development Licence (MDL)

# Assets

Coal

## 1. Teresa

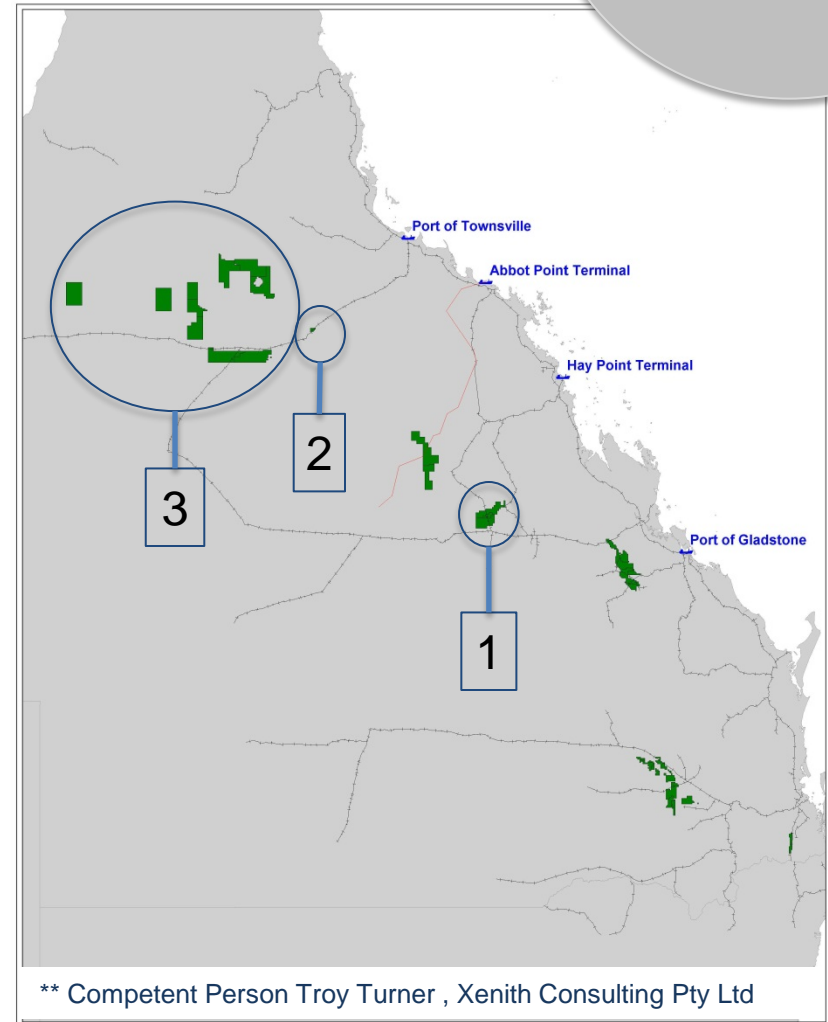
- JORC Resource of 298Mt\*\* (82Mt Indicated, 216Mt Inferred)
- Mining lease application has been submitted and EIS commenced for a 6Mtpa underground mine
- First coal Q4 2015 target

## 2. Pentland

- JORC resource of 266 Mt\*\* (176Mt Indicated, 90Mt Inferred)
- Expected to produce c. 3.0 to 4.0Mtpa of export grade thermal coal.

## 3. Great Northern Leases

- Exploration planned in 2013





# Assets

Coal

## 4. Biloela

- Initial drilling program completed in late 2010

## 5. Surat

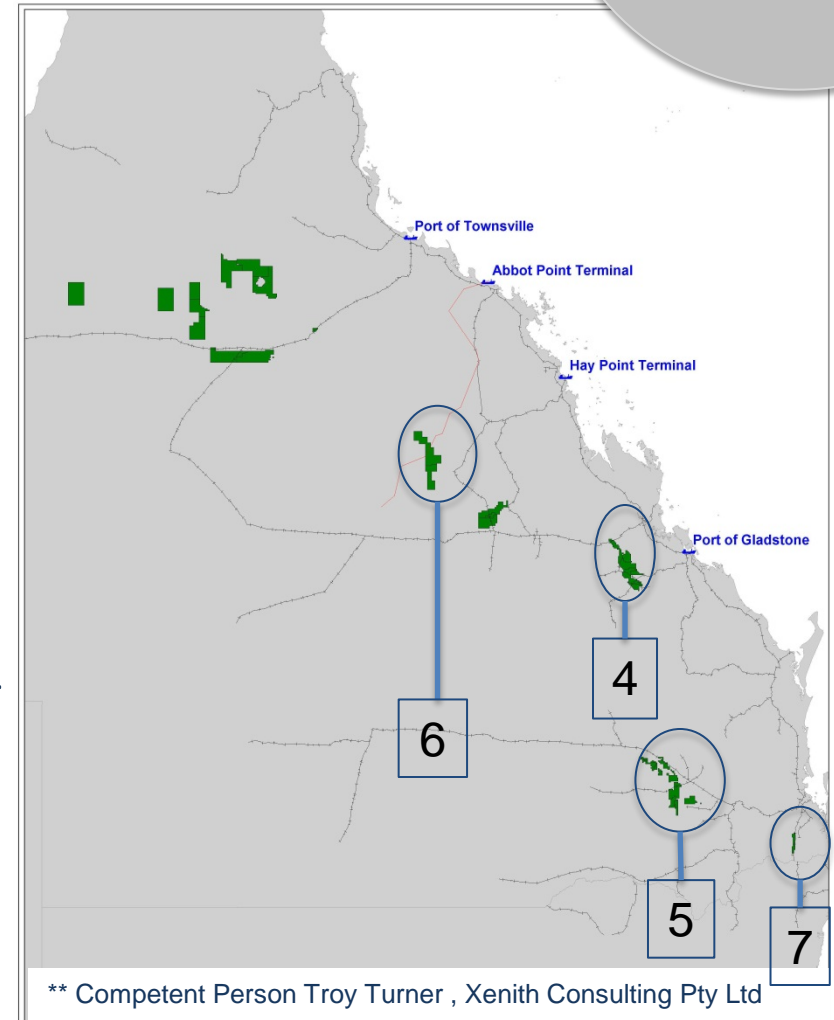
- Dalby – JORC resource of 146Mt\*\* (146Mt Inferred)

## 6. Drummond Basin

- Similar to Blair Athol resource targeted
- Magnetic Survey planned for 2013/14

## 7. Rathdowney

- Drilling planned for 2013/14



# Highlights

Coal

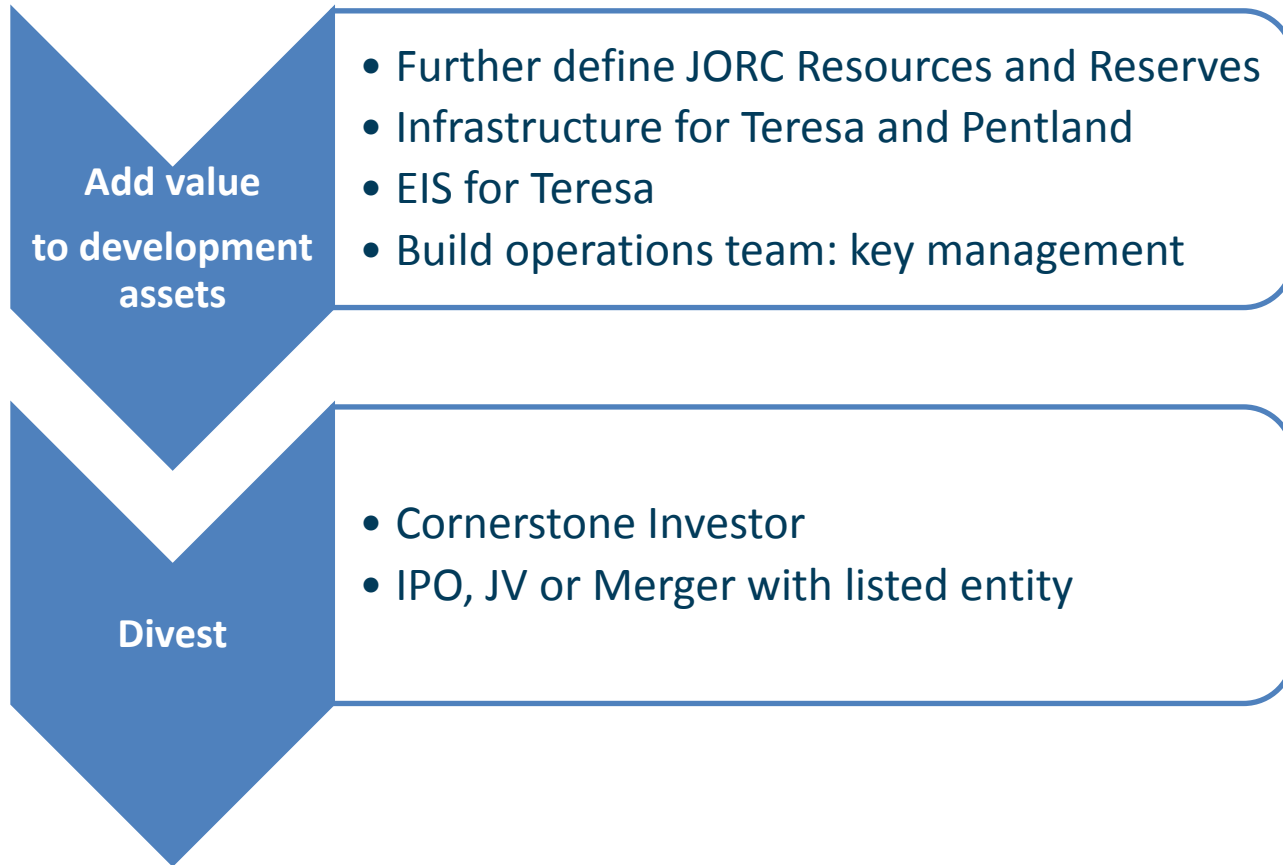


## 1 July 2011 to 30 June 2012

- Established the Division and ratified its business strategy
- Recruited staff into key roles
- Receipt of the Mineral Development Licence (MDL361) for the Pentland mine

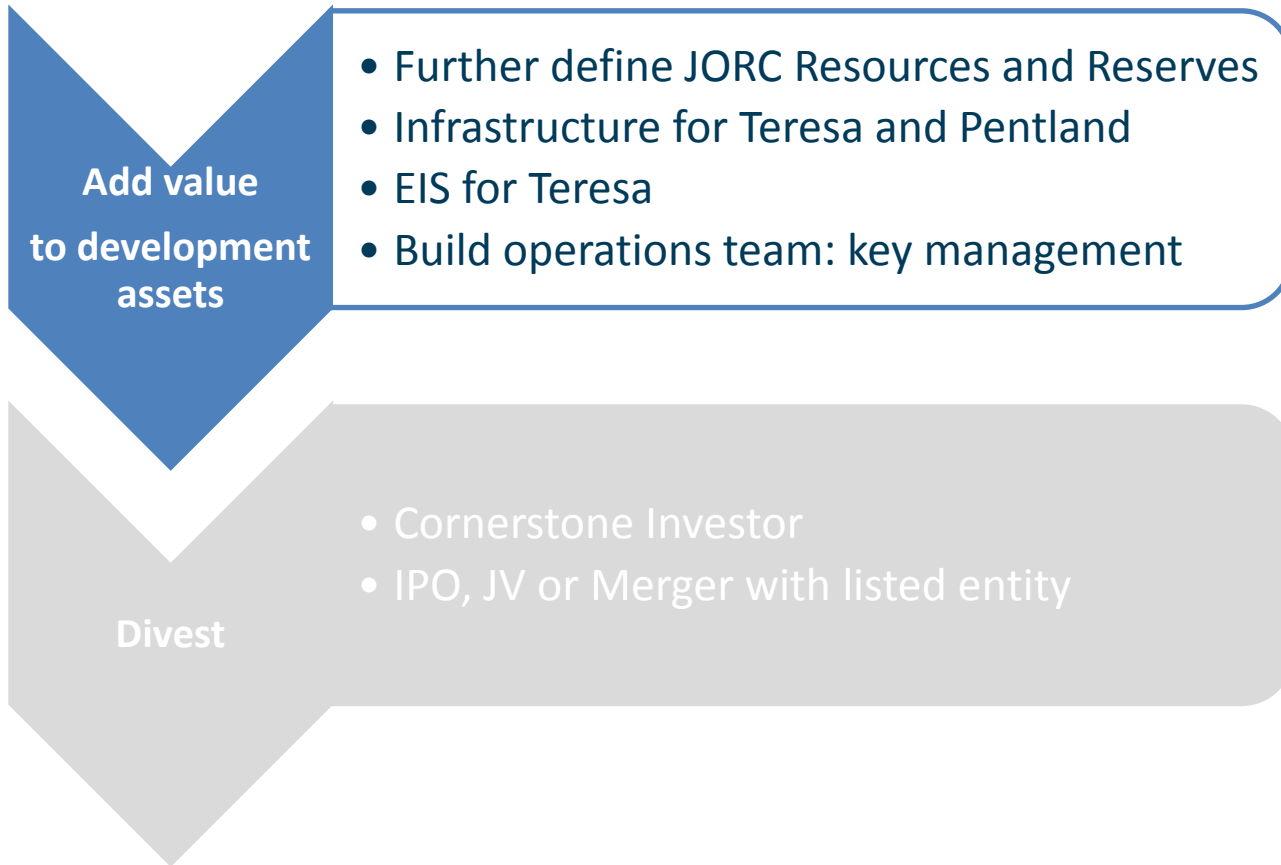
# Strategy

Coal



# Strategy

Coal



# Teresa Highlights

Coal

## **1 July 2011 to 30 June 2012**

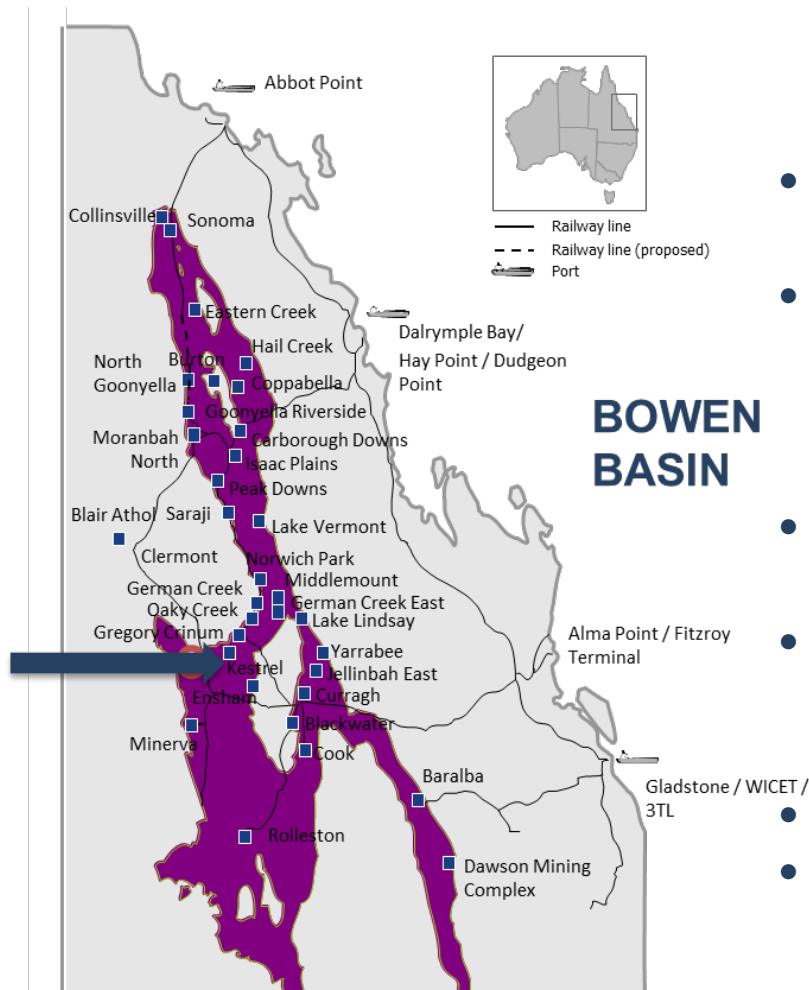
- Transition from Conceptual Study Phase to Prefeasibility Study (PFS) stage
- Publication of Initial Activity Statement (IAS) and Terms of Reference (TOR)
- Commenced base-line studies for EIS
- Commencement of the PFS drilling program

## **Since June 30 2012**

- PFS Drilling program completed

# Teresa Overview

Coal



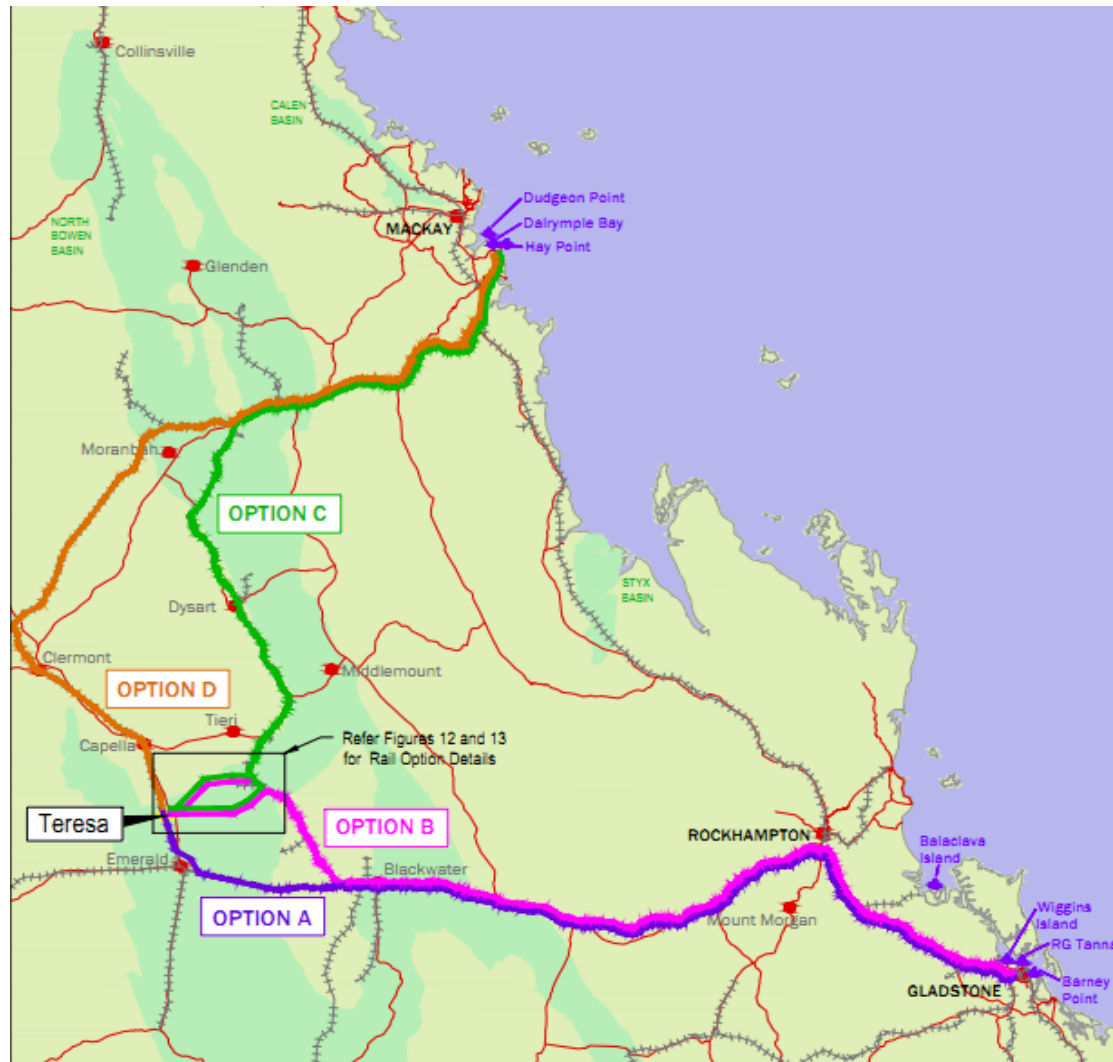
Source: Queensland Government  
Department of Mines and Energy

- Potential: up to 6 Mtpa (product tonne) underground operation for 30 years
- JORC resource statement focused on Corvus 2 seam only of 298Mt: 82Mt Indicated, 216Mt Inferred, Xenith Consulting Pty Ltd
- Early production 2015, full production 2018
- Within Bowen Basin near existing coal mines of Kestrel, Crinum, Ensham and Oak Creek
- Existing infrastructure connections
- Mining lease application submitted and EIS process commenced.



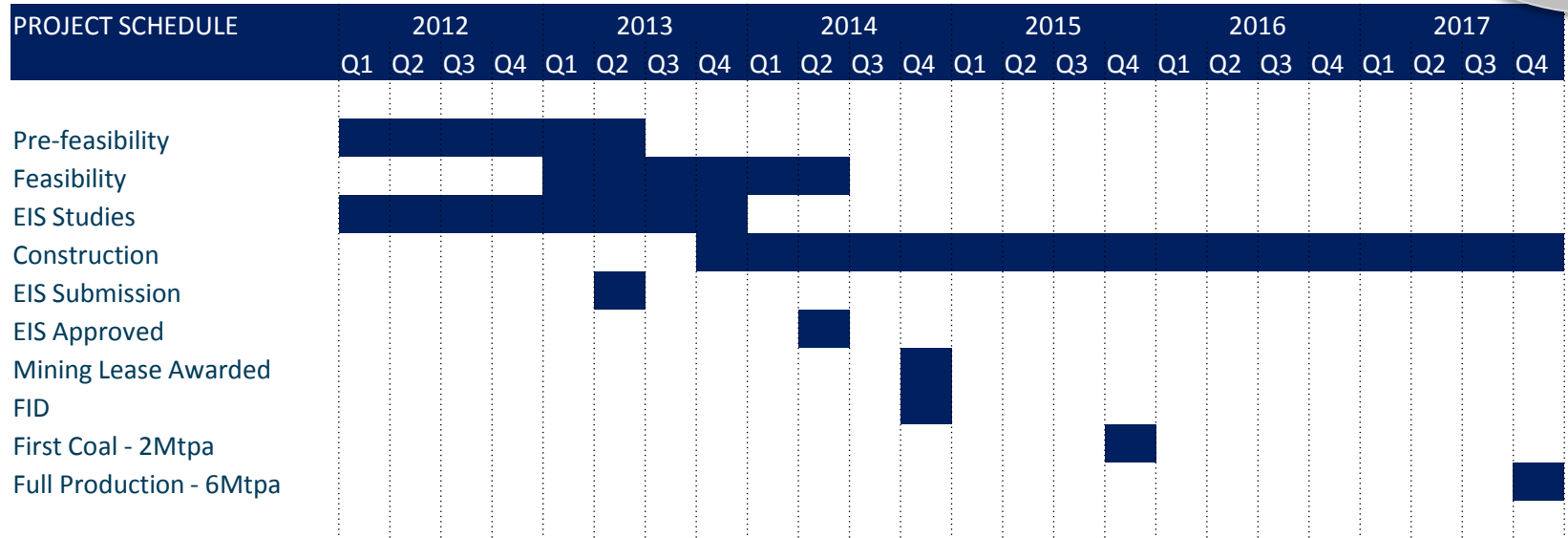
# Teresa - Logistics

Coal



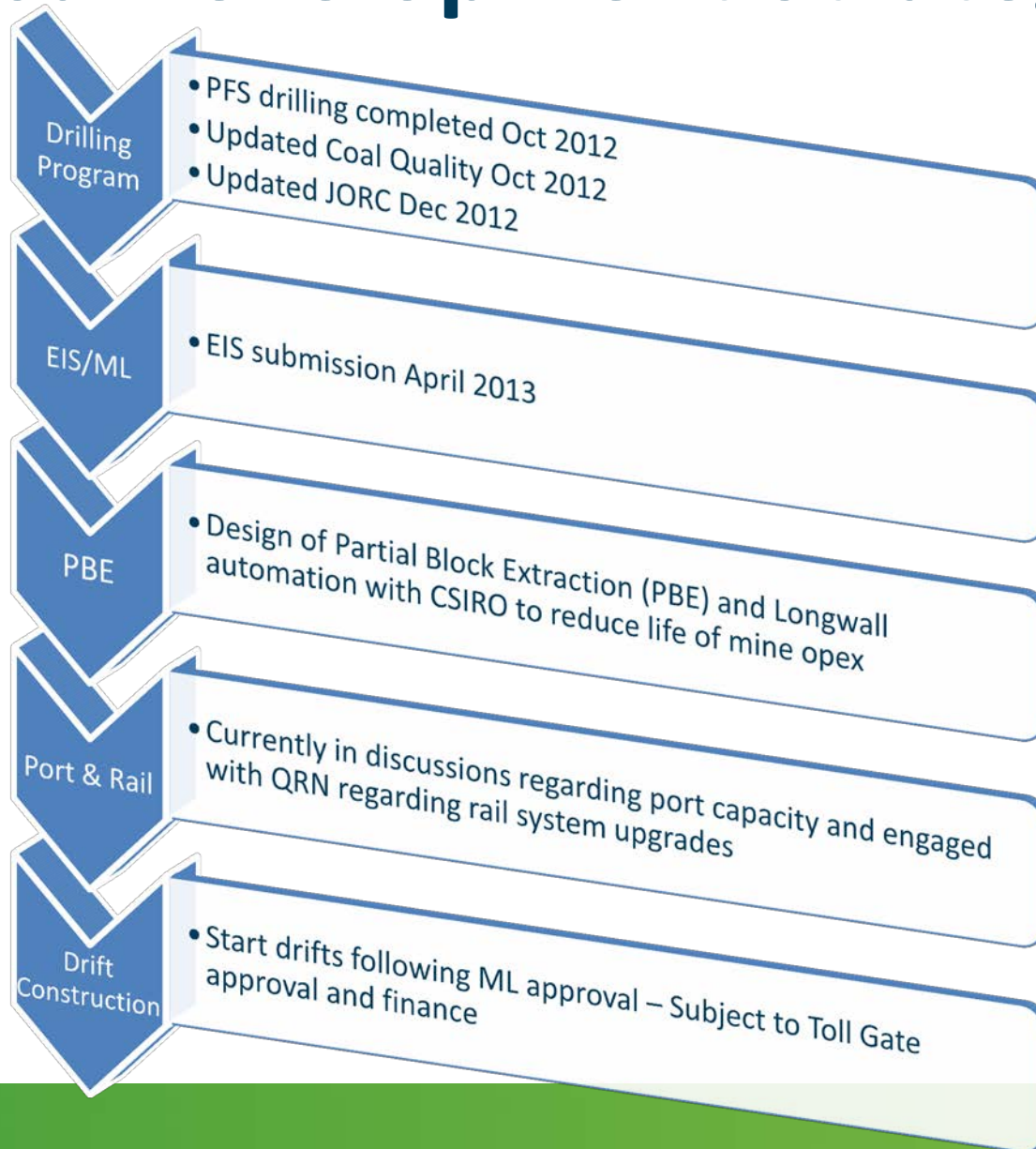
# Teresa - Schedule

Coal



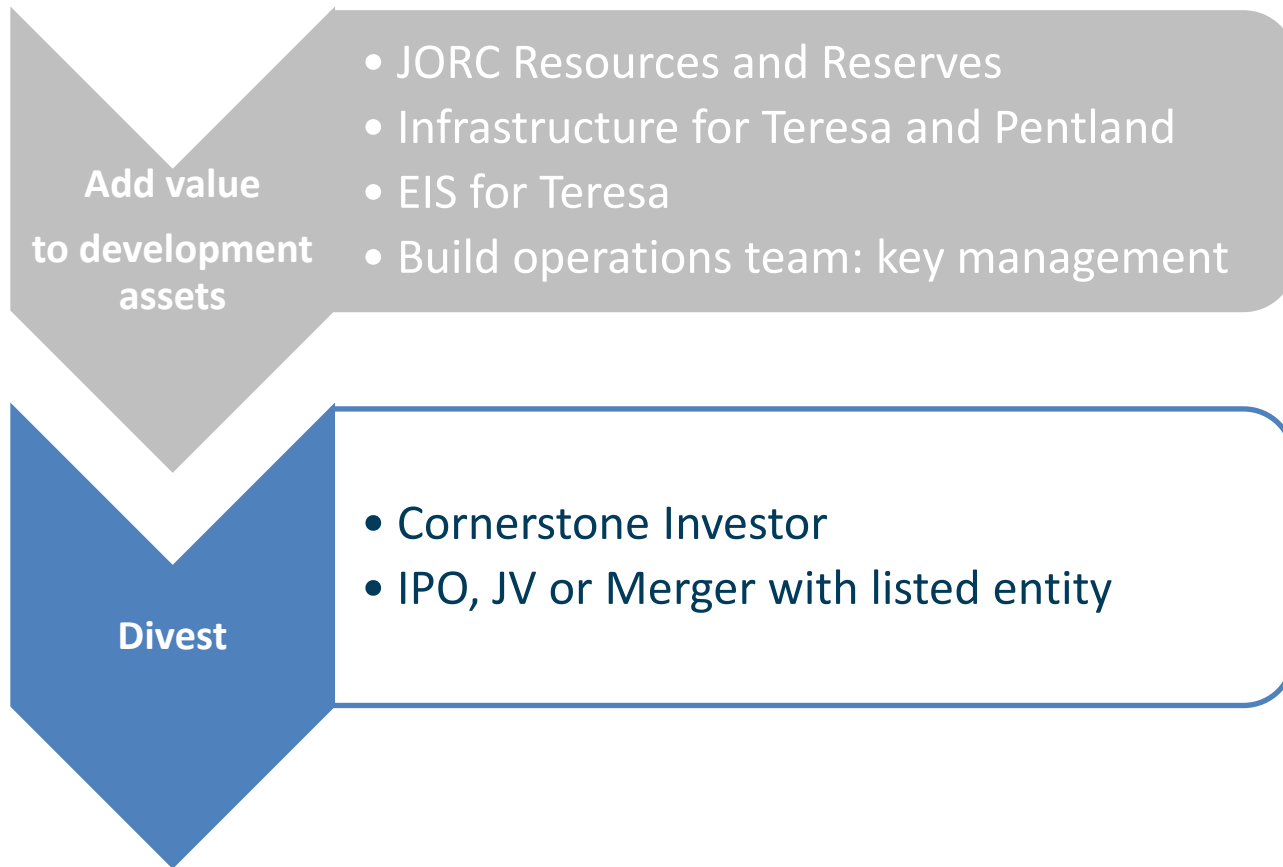
# Teresa Development Strategy

Coal



# Going Forward

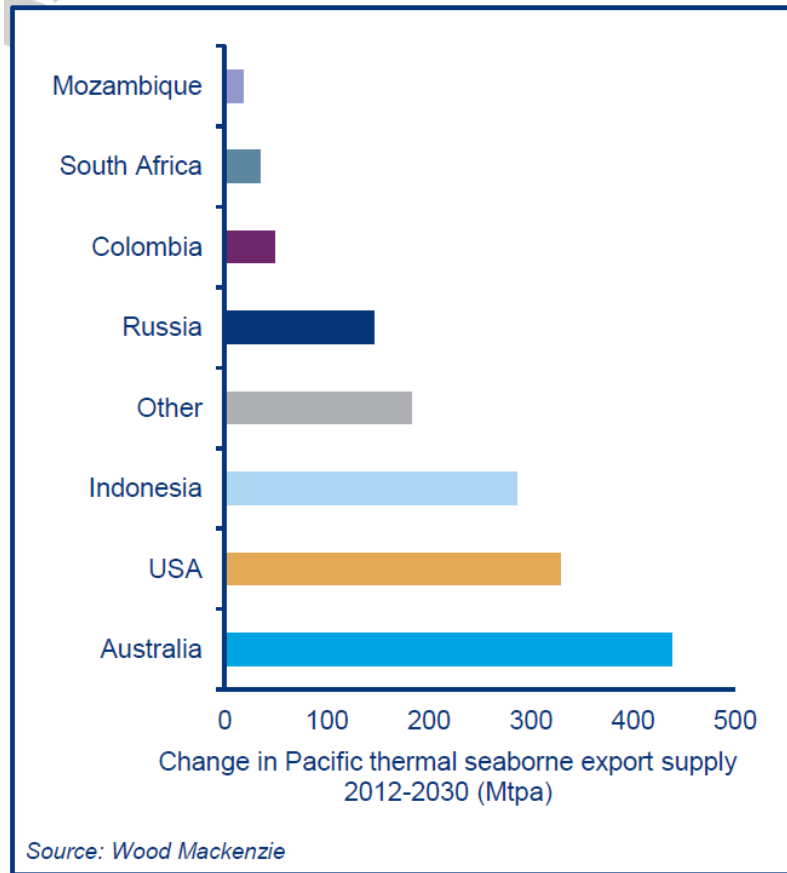
Coal



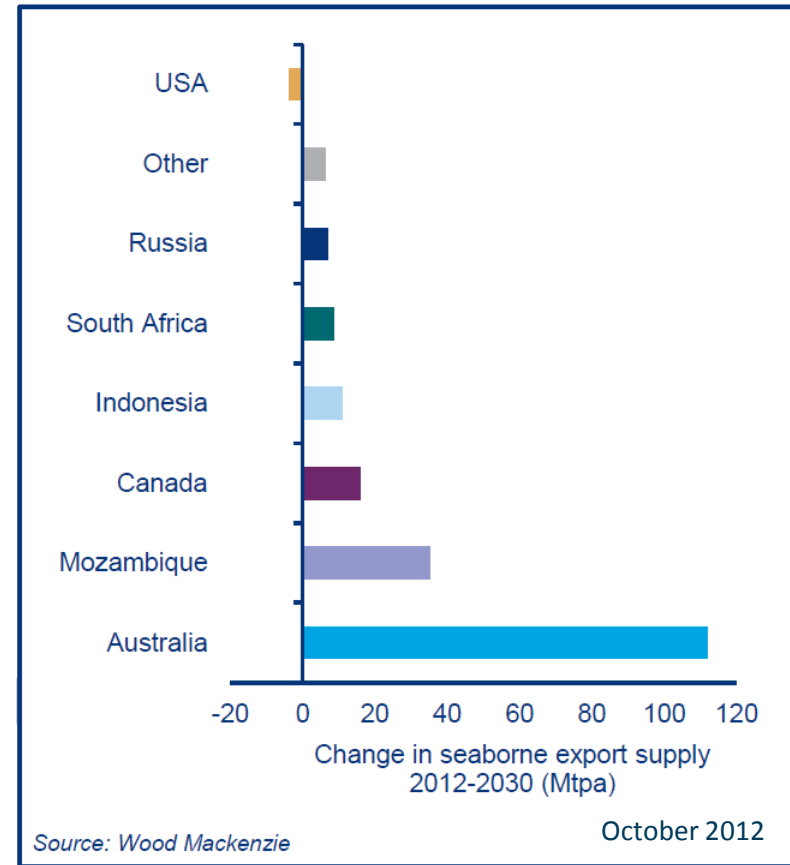
# Why Coal?

Coal

**Figure 6: Change in seaborne thermal coal supply into the Pacific basin (2012-2030)**



**Figure 11: Change in seaborne metallurgical coal supply into the Pacific basin (2012-2030)**





Don Schofield  
President  
**SAPEX**



# SAPEX Limited

SAPEX



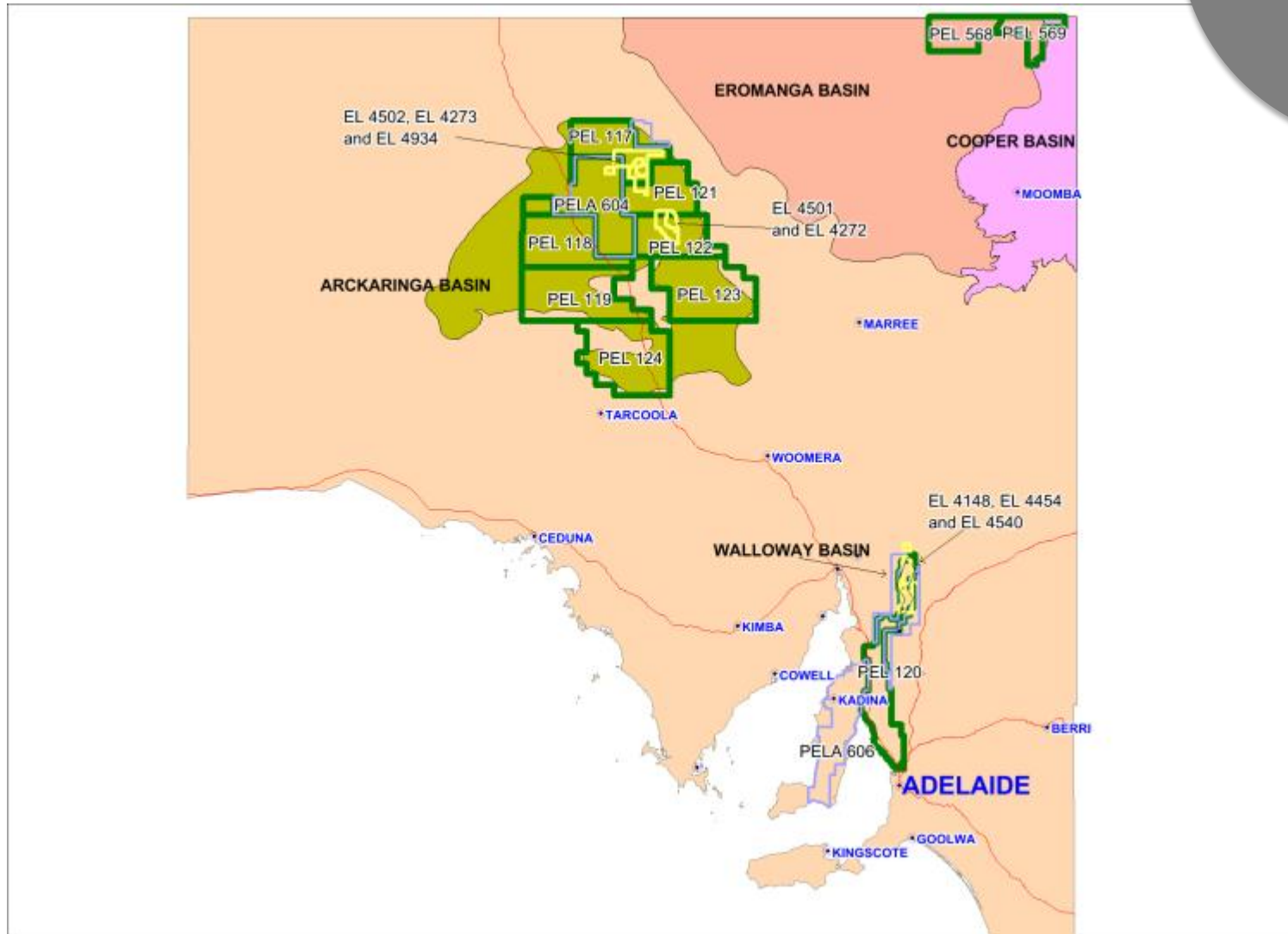
Ownership - 100% Linc Energy

Contains all Linc Energy assets in South Australia:

- 10 - Petroleum Exploration Licences (PELs)**
- 2 - Petroleum Exploration Licence Applications (PELAs)**
- 6 - Exploration Licences for Coal (ELs)**

# SAPEX Tenements

SAPEX



# Commercial Development

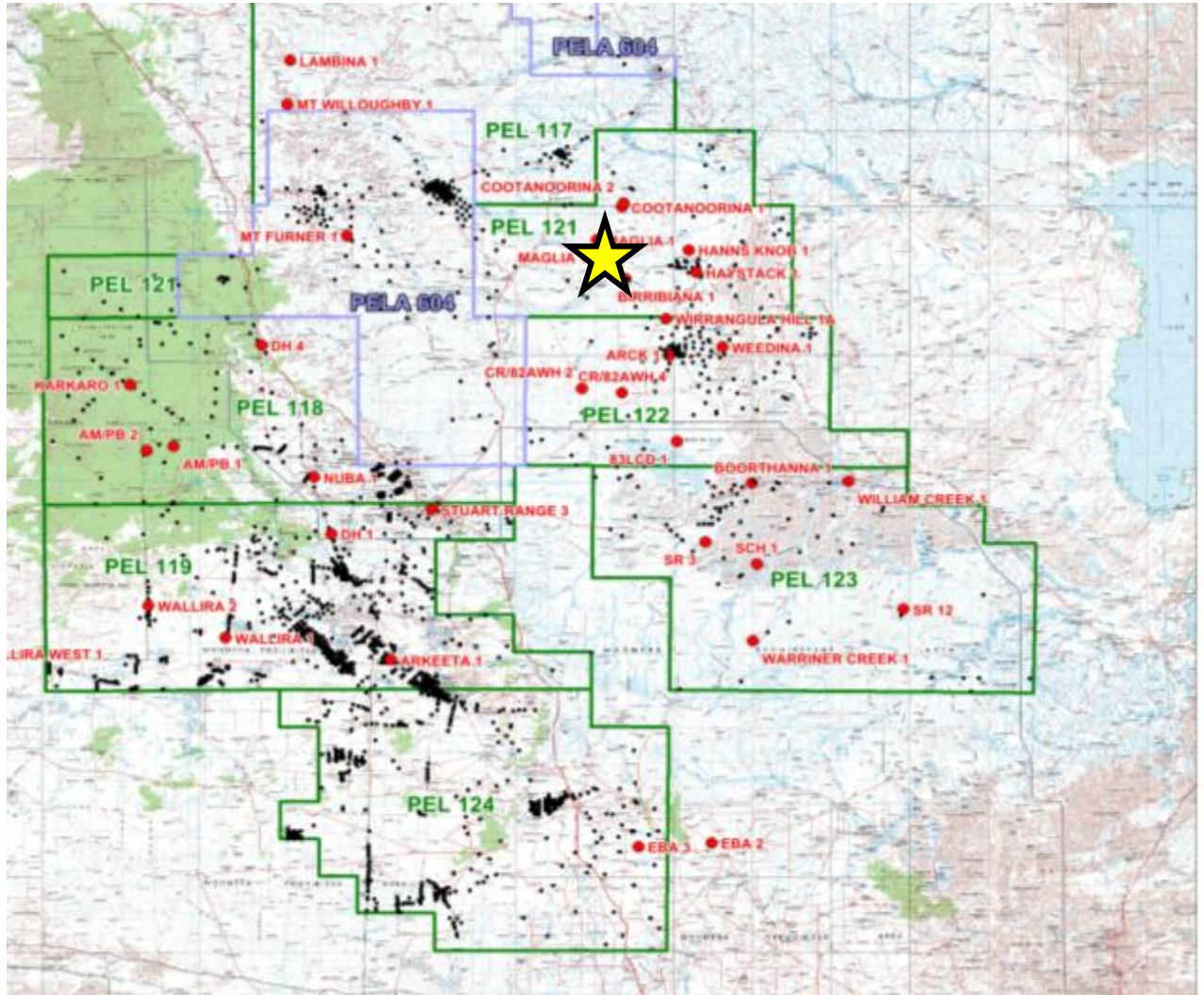
SAPEX

Highest priority: Shale Oil in the Arckaringa Basin



# Oil Discovery – Maglia-1

SAPEX



Area:

- 65,000km<sup>2</sup>
- 16,000,000ac



# Maglia-1 Oil Discovery

SAPEX

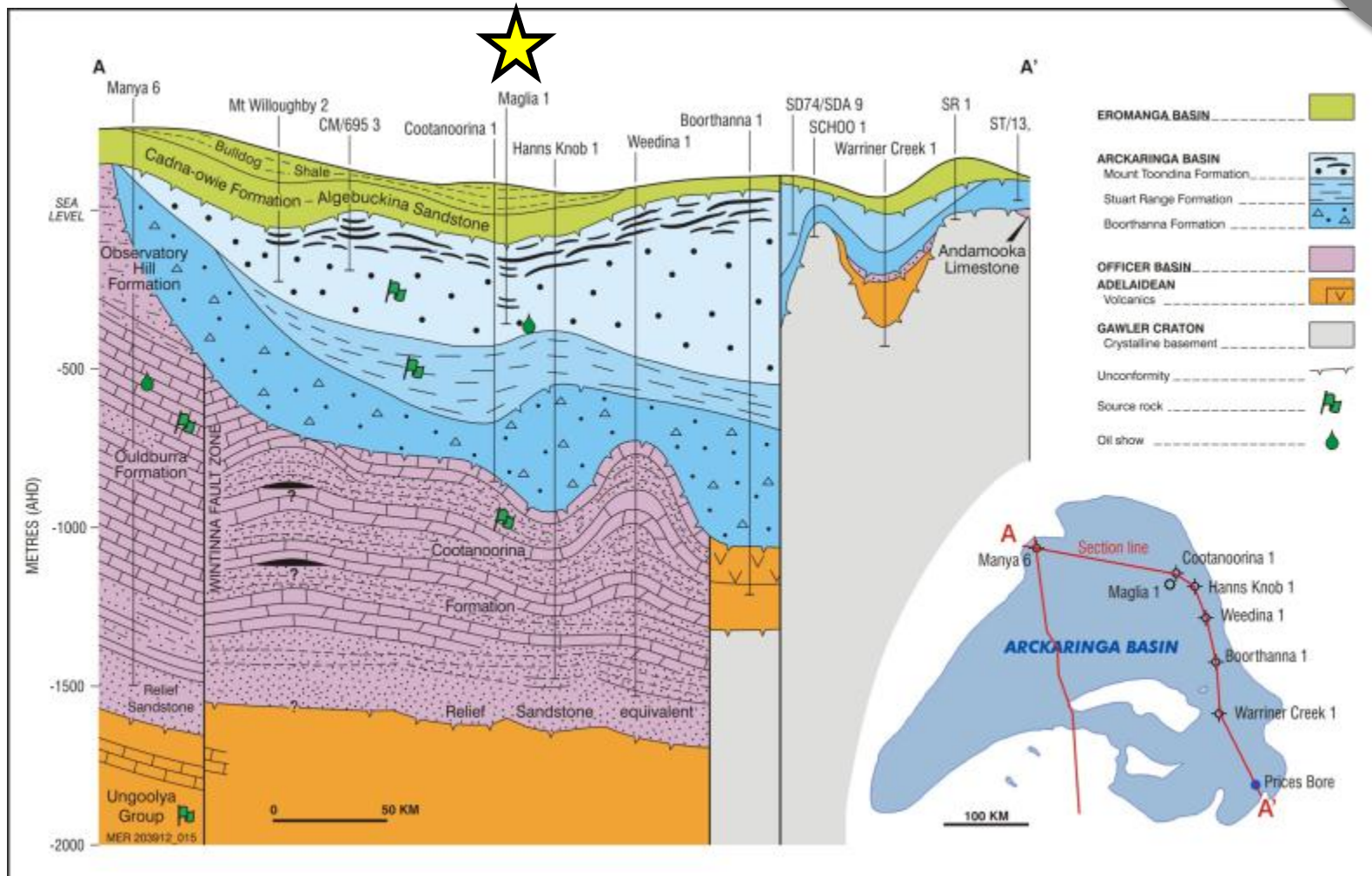
First discovery of oil in the  
Arckaringa Basin

Oil show proves existence of  
active petroleum system.



# Arckaringa Basin Stratigraphy

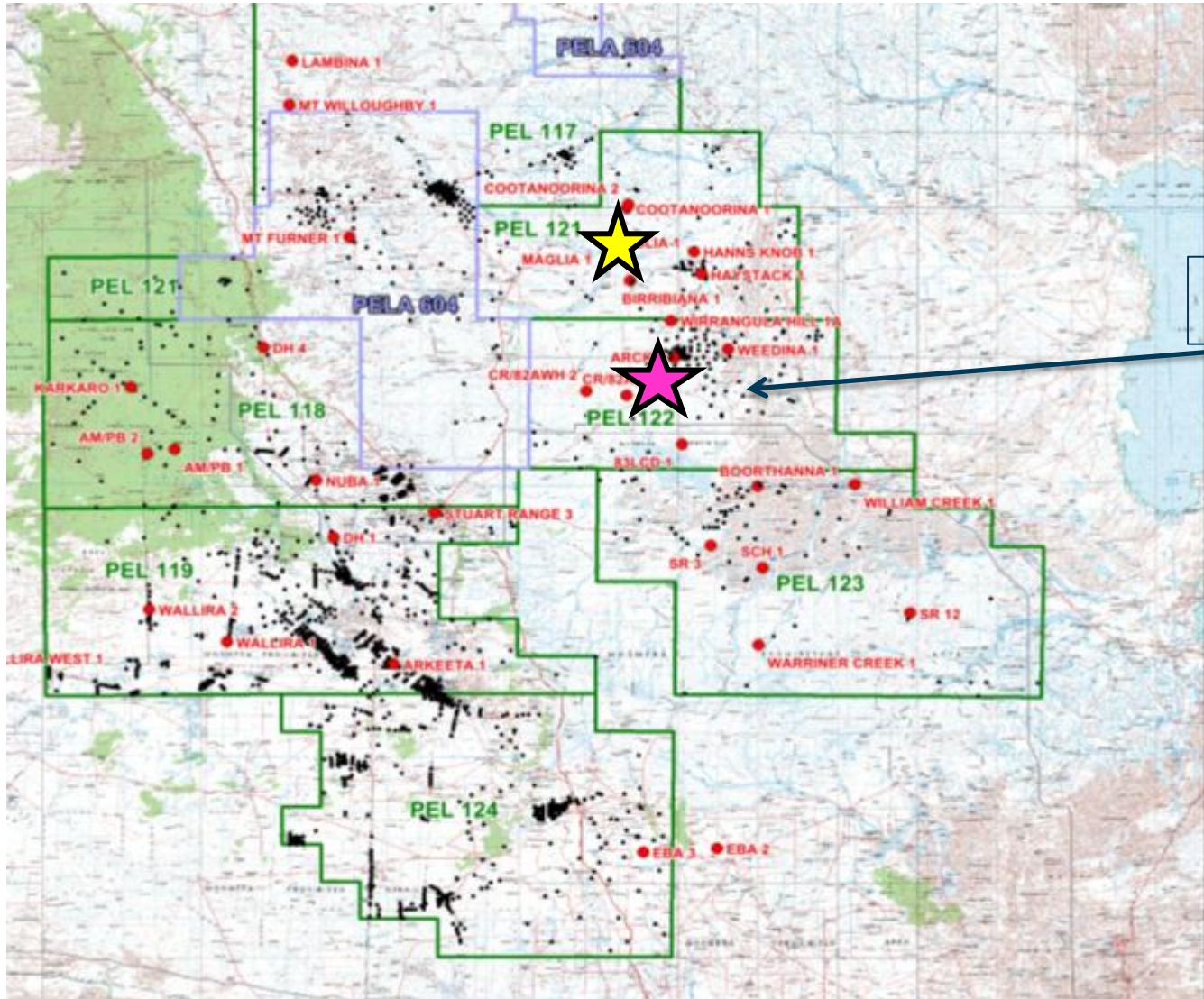
SAPEX





# Testing Organic Rich Shale

SAPEX



Arck-1 core hole

# Shale Oil Core

SAPEX





# New Seismic Data

SAPEX

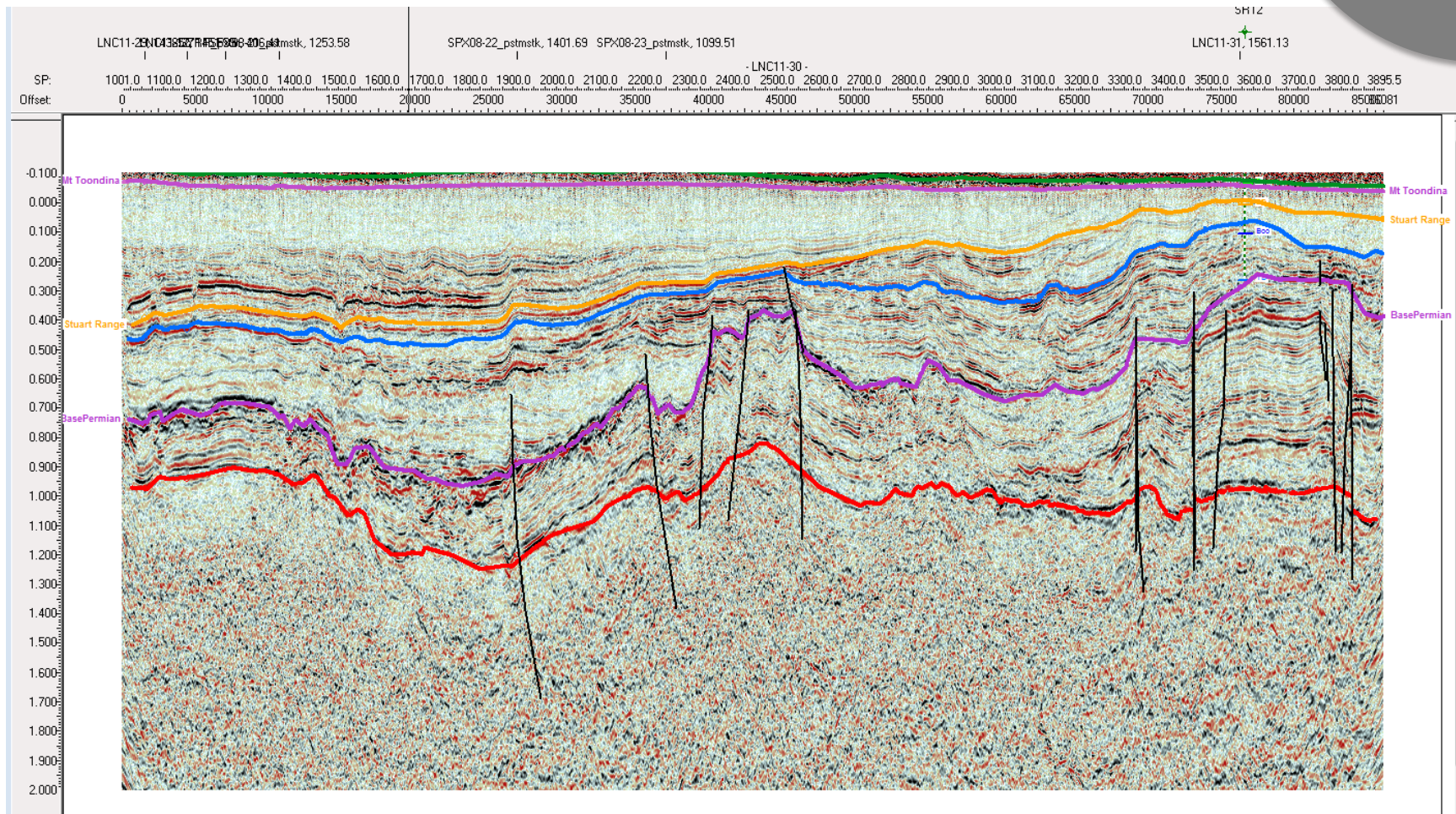
Collected 1100 km of Seismic in 2011 program





# Deep and Thick Shale Zones

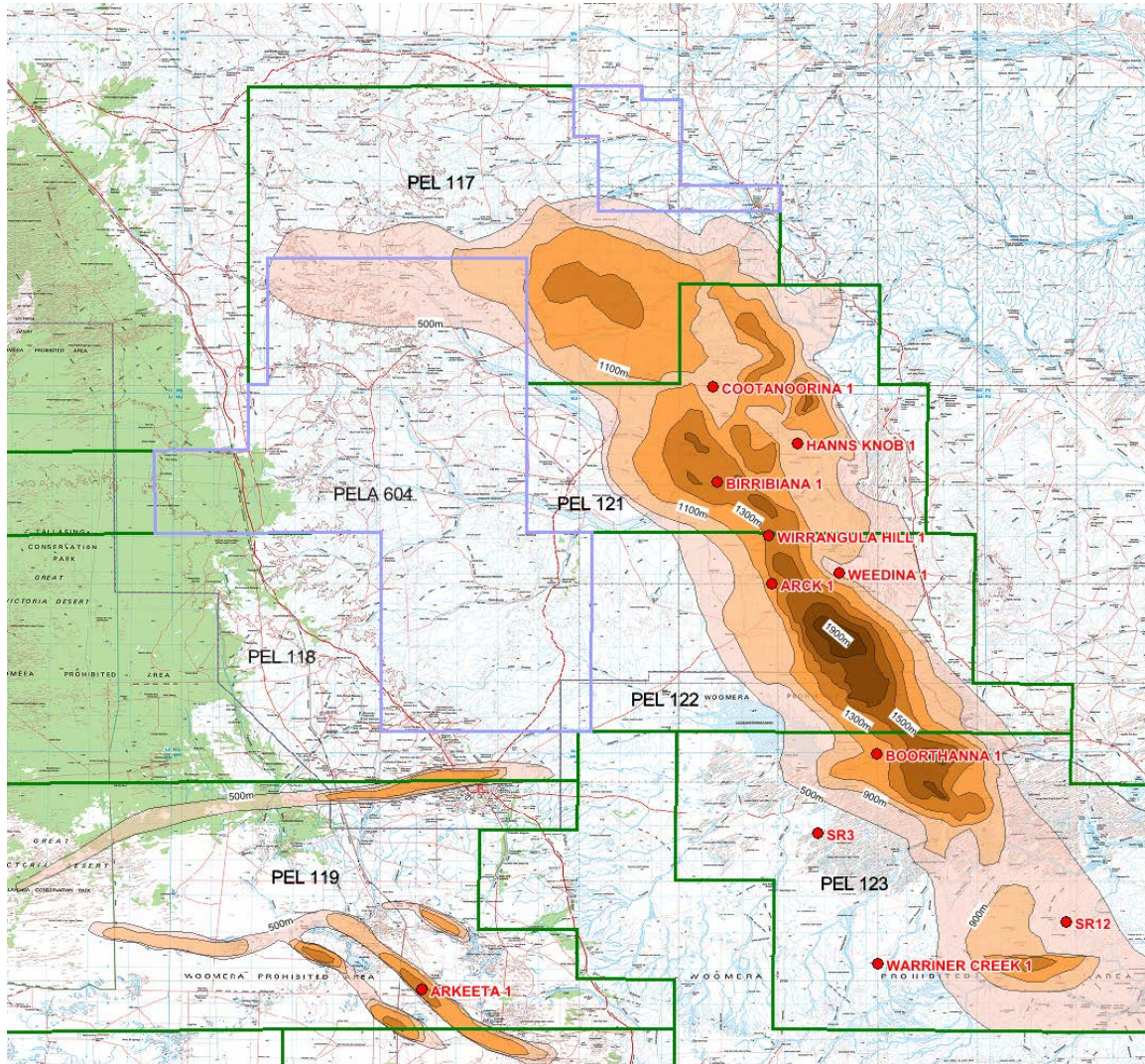
SAPEX





# Arckaringa Basin Shale

SAPEX



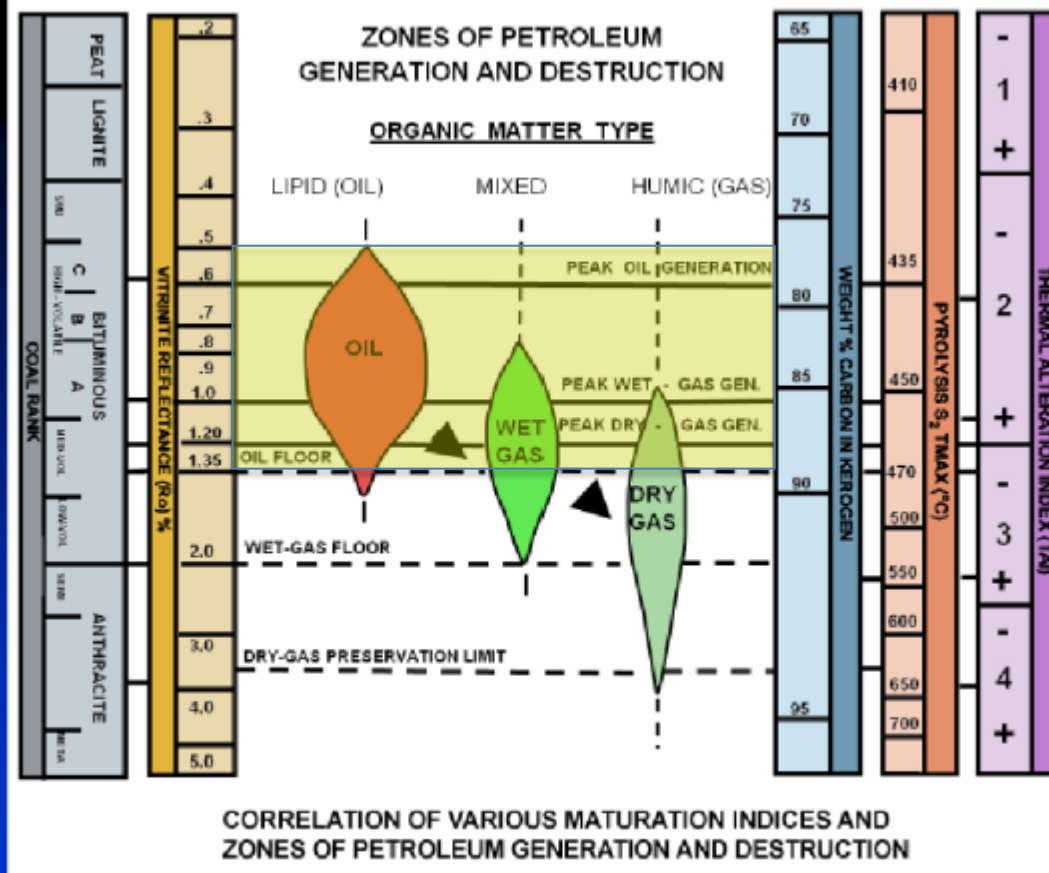
- Deep areas have most potential
- Approx. 3.5 million acres of “sweet spots”

| Shale Property              | Eagle Ford                           | Bakken                               | Mississippi Lime                 | Arckaringa Basin Organic-rich Shale |
|-----------------------------|--------------------------------------|--------------------------------------|----------------------------------|-------------------------------------|
| Age                         | Cretaceous                           | Devonian, Mississippian              | Mississippian                    | Permian                             |
| Lithology                   | Bituminous Shale                     | Sandstone, Carbonate                 | Limestone, Chert, Dolomite       | Marine shale, Siltstones            |
| Depth                       | 7,000–14,000 (ft)<br>2,100–4,300 (m) | 8,500–10,500 (ft)<br>2,600–3,200 (m) | 3,000–6,000 (ft)<br>900–1800 (m) | 2,000–4,300+ (ft)<br>600–1,300+ (m) |
| Thickness                   | 150–300 (ft)<br>45–90 (m)            | 10–150 (ft)<br>3–45 (m)              | 250–600 (ft)<br>76–180 (m)       | 230–1000+ (ft)<br>70–300+ (m)       |
| Porosity                    | 6–14 %                               | 3–8 (%)                              | 4–15 (%)                         | 5–17 (%)                            |
| Kerogen Type                | Type II                              | Type I / II                          | Type II                          | Type I / II                         |
| TOC                         | 2–6%                                 | 7–22%                                | 1.5–3%                           | 4.5–10%                             |
| Vitrinite Reflectance (Vro) | 0.5–1.4%                             | 0.5–1.0%                             | 0.65–1.2%                        | 0.5–1.35%                           |
| Tmax                        | ~ 833 °F<br>~445 °C                  | ~ 800 °F<br>~425 °C                  | ~840 °F<br>~450 °C               | ~825°F<br>~440 °C                   |
| Data Source                 | Wall Street Research                 |                                      |                                  | Linc Energy                         |



# The Oil Window

SAPEX



from Dow, 1977



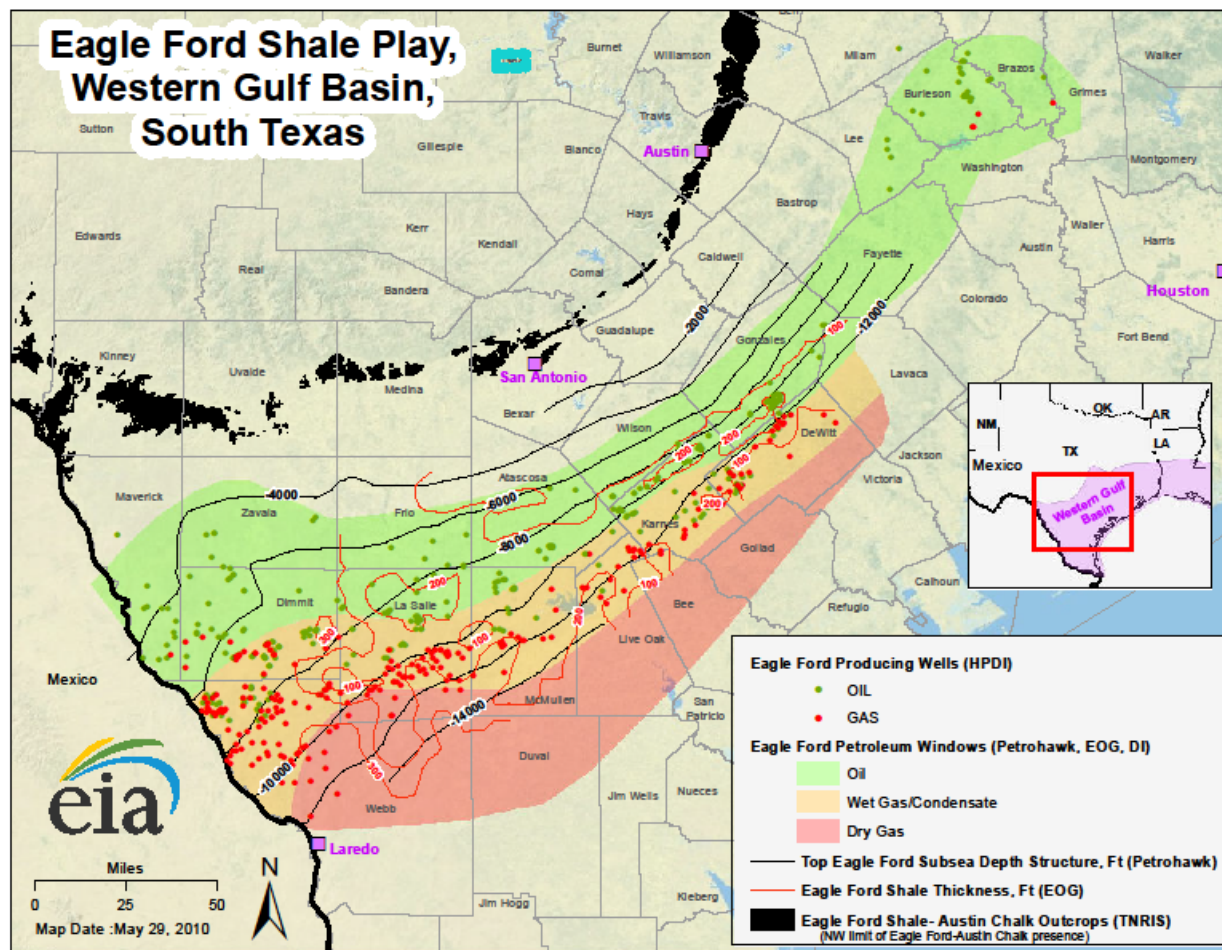
# SAPEX



- 2010 – 140,000 BOPD
- 2012 – 500,000 BOPD

# Eagle Ford Shale – Texas

SAPEX



- Fastest developing oilfield in USA
- 12 million acres
- 3 billion barrel field
- 6,000 active wells

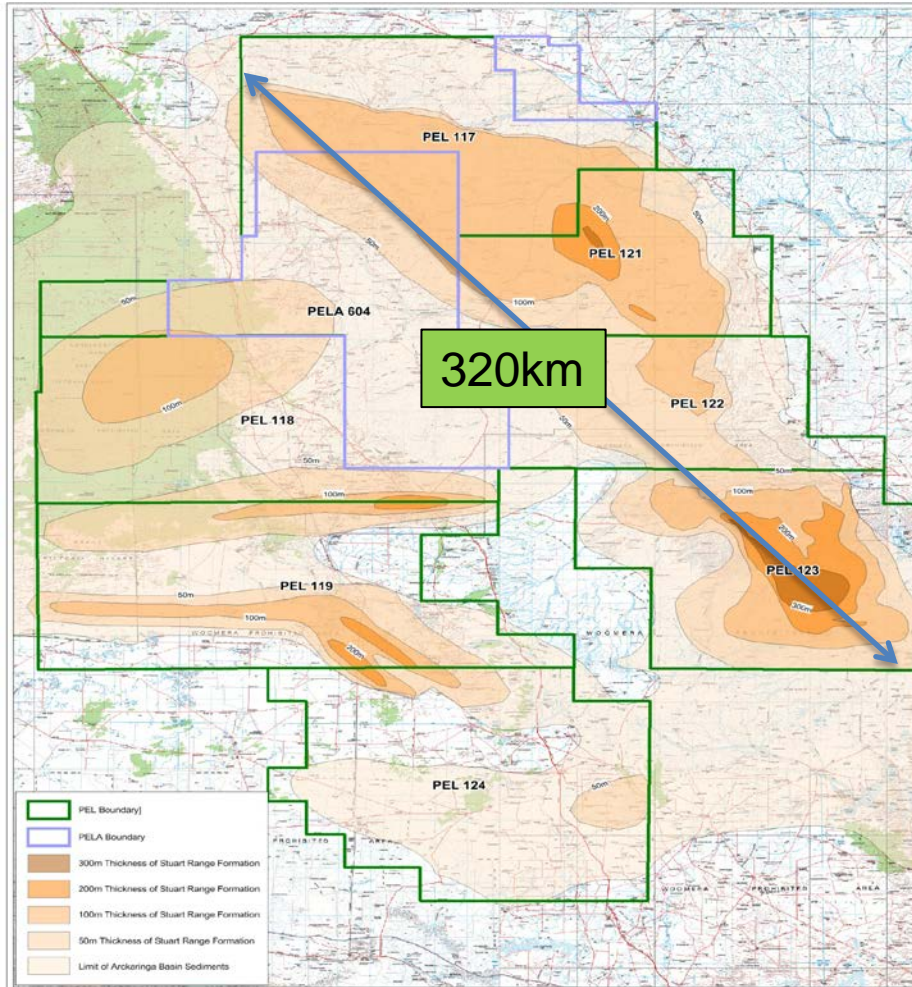
Production:

- 2010 – 12,000 BOPD
- 2012 – 300,000 BOPD



# Arckaringa Shale Oil- World Class Potential

SAPEX



- Largest shale oil play in Australia
- 16 million acres – 100% SAPEX
- Prospective resources – potential for billions of barrels of oil
- Supportive government in South Australia
- Ready for large investment to confirm optimum development strategy

# Road to Commercial Development

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- **Bring in experienced JV partner for development**
  - Shale technology is specialised
  - Shale Projects = Large scale capital investment
  - Industry is new – North American based
  - Partner will operate a drilling and seismic work program focussed on development
- **Internationally recognised independent consultants to confirm prospective resources**
- **Appoint global investment bankers to assist in process**

# Summary

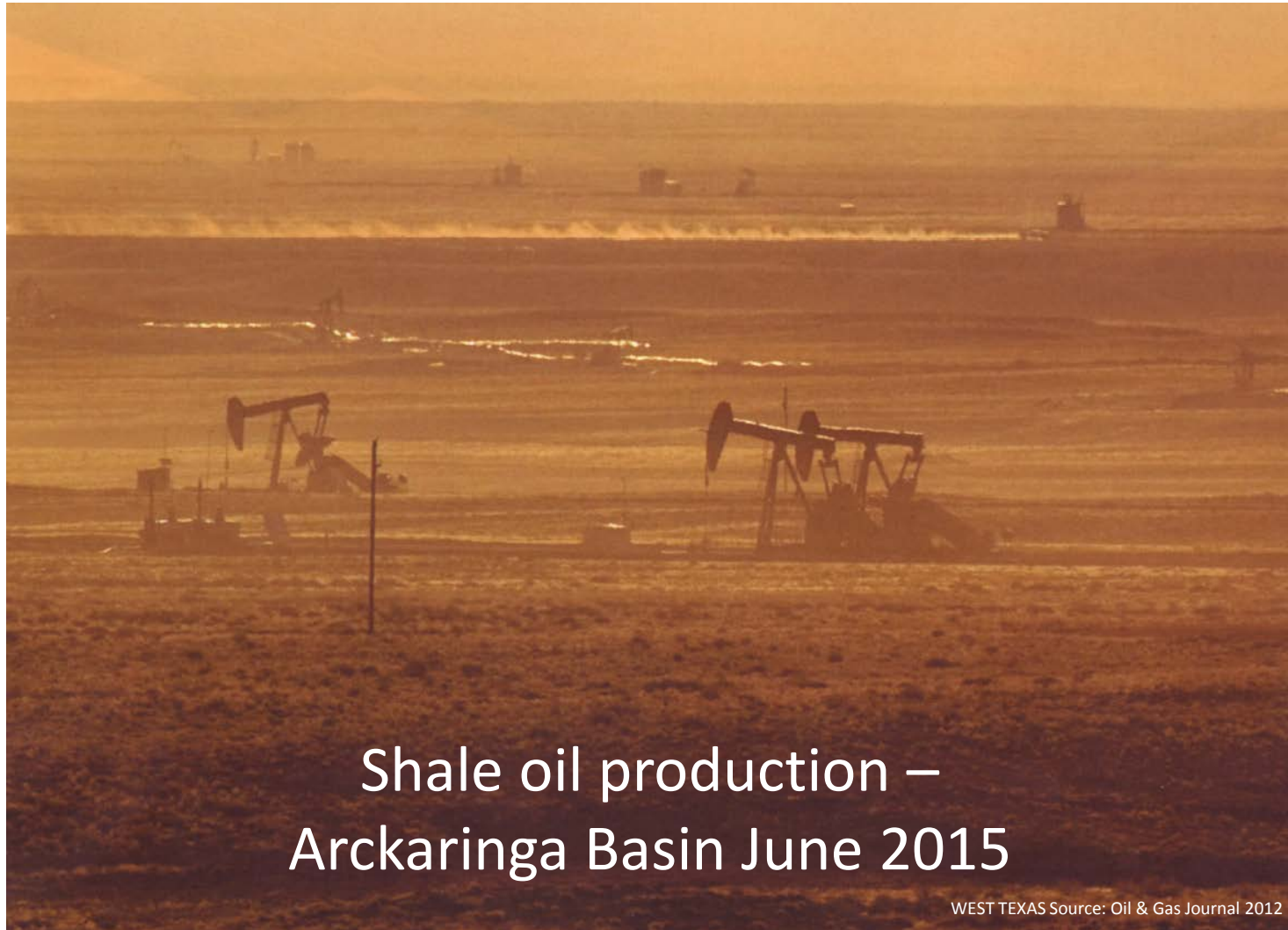
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- ✓ Existing petroleum system
- ✓ Shale oil characteristics are excellent
- ✓ Large acreage position – 100% held
- ✓ Global experts are confirming our discovery

**WORLD CLASS OPPORTUNITY FOR LINC ENERGY SHAREHOLDERS**



# Our Vision for the Future



Shale oil production –  
Arckaringa Basin June 2015

WEST TEXAS Source: Oil & Gas Journal 2012





# Peter Bond

## Managing Director and CEO



**Questions**  
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# Direct Your Questions

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**SAPEX**

**Don Schofield**

**MD/CEO**

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